DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1987

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

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PART 5

TESTIMONY OF PUBLIC WITNESSES FOR INDIAN PROGRAMS

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1987

BUREAU OF INDIAN AFFAIRS, INDIAN HEALTH SERVICE AND INDIAN EDUCATION

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

ROGER BORDEAUX, ASSOCIATION OF TRIBAL CONTRACT SCHOOLS

Mr. YATES. Show the hearing as coming to order.

This is the hearing on the budget for fiscal year 1987 for outside witnesses.

We have a series of witnesses today. Our first witness is Mr. Bordeaux.

Hi, Mr. Bordeaux. You represent the Association of Tribal Contract Schools. Your statement may be made a part of the record.

Tell us what it is that you want us to do.

Mr. BORDEAUX. I think the primary thing I want to hit on is just a little bit of a review of what has kind of happened since you commissioned an investigative report back in 1982. I had an opportunity to do some research myself on the schools and also use some existing studies that have been around in regards to contract elementary and secondary schools. I think one of the main things that you hit on in your investigative report was some discussion about accreditation and academic standards, supposedly the lack of in contract tribal schools.

I think you cited 54 percent were not in any type of accreditation process or anything like that. We did a telephone survey a couple of weeks ago and we found out that 75 percent of the 64 schools are currently accredited by state or regional organizations, 20 percent are currently in the process of either in candidacy process or some other process for meeting academic standards, and the other five percent are now getting started.

Public Law 99-89 will require that within the next two years. Since 1982, in your investigative report, we have made quite a bit of advancement in regard to meeting academic standards. Another thing I think you looked at a little bit was in regards to academic testing.

Your investigative report cited that 63 percent of the students in contract schools were below grade level and currently based on some of the information I got from the school. Also, some other studies indicated somewhere between 40 and 90 percent of the students are prepared for their next level of education which basically means that range in each one of the schools where the majority of the schools are prepared for their next level of education whether it be junior high school or high school or post secondary programs.

Then, I think, a couple more smaller points in regards to the physical plants, I don't think there has been that much advancement in regards to the condition of the facilities that were bad in 1982. A few of them have been fixed up, but not that many.

OSM has told us there is approximately a $400 million backlog in after YRN projects. No construction funds in 1986 and 1987, and probably through 1991 or something, and that is going to back them up again. I don't know what we can really do about that.

Mr. YATES. We are going to try to be helpful. Gramm-Rudman is not helping.

Mr. BORDEAUX. A couple other things I would like to point out. One is the new school starts and program expansion language that was also in your investigative report which basically said that, supposedly, if all the Indian students in the Nation went to the tribal schools, the Federal Government would have a balanced budget they would have to handle all of the tribal schools.

Realistically, I don't think that would ever happen. I think if anything would happen, it would be most of the Bureau schools. Since 1982 there has only been about four or five areas that have been trying to go contract because they are not part of the Bureau system and only one of them may have been successful.

I don't know how that is currently turning out, but they are currently in the negotiation process. New program starts and expansion should be eliminated and force them to put out some regulations we can look at and get on with it.

Mr. YATES. We will ask them about it when they come in.

Mr. BORDEAUX. The last point has to do with per pupil cost that you also identified in your study. I think based on your report from your team, the amount of money that supposedly went to the schools from the Bureau was approximately $5,500 and we doubt that very much. There is probably some cases that do get that amount, but I think overall it is not very much at all.

I think what I would like to do is give you just one more sheet that you can attach someplace. I was working on this. I didn't have much time to type it up.

Mr. YATES. We will attach this to your statement.

Mr. BORDEAUX. What that is is a listing of fiscal year 1986 schools. Take off the students for exceptional program, by language small school adjustments, and take whatever is left over which is the $91 million on there, divide that by the average daily membership of all the schools in the Bureau and it comes up to $2300 per student.

Mr. YATES. That is a little cheaper

Mr. BORDEAUX. When you look at that figure and compare that ship of all the schools in the Bureau and it comes up to $2,300 per pupil cost for basic education programs, there is a big discrepancy there. Anything above the $2,300 that the schools get is because of the type of students they have, maybe handicapped, maybe residential programs and all these other things. So when anybody says we get $567,000 a student in some cases, it might be true but you have to look at the type of students that are going to be served and you have to go all the way back down to the basic program.

Thank you.

Mr. YATES. Thank you.

[The statement of Mr. Bordeaux follows:]

Association of Contract Tribal Schools

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MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: MY NAME IS ROGER BORDEAUX. I AM HERE ON BEHALF OF THE ASSOCIATION OF CONTRACT TRIBAL SCHOOLS. ASSOCIATION OF CONTRACT TRIBAL SCHOOLS WAS FORMED IN 1982 TO PROVIDE ADVOCACY, COMMUNICATION, TRAINING AND TECHNICAL ASSISTANCE TO MEMBER TRIBAL SCHOOLS AND OTHER SCHOOLS INTERESTED IN TRIBAL CONTROL OF ELEMENTARY AND SECONDARY EDUCATION PROGRAMS.

THERE ARE CURRENTLY 64 TRIBAL SCHOOLS, WITH OVER 10,000 STUDENTS OPERATING IN 17 STATES. THE SCHOOLS RANGE IN SIZE FROM A K-3 COMMUNITY SCHOOL WITH 18 STUDENTS, TO A K-12 COMMUNITY SCHOOL WITH OVER 600 STUDENTS. THE AVERAGE STUDENT MEMBERSHIP IS 159. OVER 50 PERCENT OF THE STUDENTS ATTEND SCHOOLS WHICH HAVE BEEN ACTIVE MEMBERS OF THE ASSOCIATION OF CONTRACT TRIBAL SCHOOLS.

WE ARE HERE TODAY TO DISCUSS THE FEDERAL GOVERNMENT'S FISCAL RESPONSIBILITY TO THE 40,000 STUDENTS FUNDED BY THE BUREAU OF INDIAN AFFAIRS. OVERALL THE BUREAU OF INDIAN AFFAIRS EDUCATION SCHOOL OPERATIONS PROPOSED BUDGET DID QUITE WELL COMPARED TO OTHER EDUCATION PROGRAMS. THE ADMINISTRATION MUST HAVE REMEMBERED THAT THE SCHOOLS OPERATIONAL FUNDS ARE FOR BASIC EDUCATION SERVICES AND NOT SUPPLEMENTAL EDUCATION SERVICES. HOWEVER, THERE ARE SOME MAJOR PROBLEMS WITH THE PROPOSED BUDGET.

1.) I.S.E.F. (FORMULA FUNDS)

SINCE THE INCEPTION OF THE FORMULA IN 1979, THE CATEGORIES HAVE NOT CHANGED. THE WEIGHTED STUDENT UNIT FIGURE IN THE FIRST YEAR WAS APPROXIMATELY $1,700.00. IN FY 86 THE WSU FIGURE IS APPROXIMATELY $2,100. THIS 20 PER CENT INCREASE DID NOT KEEP UP WITH INCREASED PER PUPIL COSTS.

THE PROPOSED TIGHTENING OF ELIGIBILITY FOR BILINGUAL AND INTENSIVE RESIDENTIAL GUIDANCE IS CONTRARY TO BUREAU OF INDIAN AFFAIRS EDUCATION POLICY (25 CFR PART 32).

IF A B.I.A. FUNDED SCHOOL IN SOUTH DAKOTA PURCHASED A SCHOOL BOOK IN 1979 FOR $1.00, THAT SAME BOOK TODAY WOULD COST $1.66.* THE B.I.A. SCHOOLS HAVE ONLY $1.20 TO PURCHASE THAT BOOK. THEREFORE THEY HAVE LOST $ .46 IN REAL PURCHASING POWER.

THE SCHOOL BOARD TRAINING LINE ITEM FUNDS SHOULD BE GIVEN BACK TO THE LOCAL SCHOOLS DECIDE WHAT IS NEEDED. APPROXIMATELY $2,845 PER SCHOOL.

THE FUNDS LINE ITEMED FOR SCHOOL BOARD EXPENSES IS NOT ADEQUATE. IT WOULD GIVE EACH SCHOOL AT LEAST $2,850. THESE FUNDS ARE NOT ENOUGH TO HANDLE THE POLICY DECISION, LEGAL AND MEETING EXPENSES FOR ALL OF THE SCHOOLS. WHEN YOU COMPARE THIS $2,850 FIGURE WITH THE $17,000 AVERAGE FOR THE AVERAGE BOARD OF EDUCATION COSTS IN SOUTH DAKOTA* IT APPEARS THERE IS A SERIOUS DISCREPANCY. IN THE PLAINS STATES, SOUTH DAKOTA WAS RANKED THE LOWEST FOR PER PUPIL COSTS IN THE 1983-84 SCHOOL YEAR. EVEN IF YOU COMBINE SBE & SBT DOLLARS TOTALING $5,695, THIS IS STILL ONLY 34% OF THE SOUTH DAKOTA AVERAGE SCHOOL BOARD EXPENSES.

THE SCHOOL OPERATION CONTRACT SUPPORT LINE ITEM APPEARS TO BE THE SAME AMOUNT AS FY 86. THE FOLLOWING SERVICES SHOWS YOU WHAT REALLY HAPPENED AT ONE SCHOOL:

FY84 CONTRACT SUPPORT 94 % OF REQUEST	112,000
FY 85 CONTRACT SUPPORT 69 % OF REQUEST	84,000
FY 86 CONTRACT SUPPORT SCHOOL REQUEST	120,000
FY 86 CONTRACT SUPPORT B.I.A. FIGURE (51%)	69,000
FY 87 CONTRACT SUPPORT B.I.A. FIGURE (51%)	69,000
FY 87 CONTRACT SUPPORT EFFECTS OF SEQUESTRATION (25%)	51,750

THE RED SCAFFOLD SCHOOL IN SOUTH DAKOTA WILL EXPERIENCE A 57 PERCENT REDUCTION IN CONTRACT SUPPORT FUNDS IN THREE SHORT YEARS. THIS SCHOOL DOES NOT HAVE THE FUNDS NECESSARY TO MEET THE MANAGEMENT REQUIREMENTS OF P.L. 93-638, P.L. 95-561 AND ALL THE SUPPLEMENTAL EDUCATION PROGRAMS.

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* SOUTH DAKOTA EDUCATION STATISTICAL DIGEST 1984-85 P. 2, PER PUPIL COST PERCENTAGE INCREASE FROM 1978-79 SCHOOL YEAR TO 1984-85 SCHOOL YEAR.

THE JOHNSON O'MALLEY-TITLE IV TRANSFER DOES NOT SEEM BENEFICIAL TO THE SERVICE POPULATION.

THE FUNDS PROPOSED FOR FACILITY OPERATION AND MAINTENANCE IS NOT ADEQUATE. WHEN YOU LOOK AT THE ADMINISTRATIVE CUTS AND THE CONGRESSIONAL CUTS OVER THE LAST THREE YEARS OF APPROXIMATELY 10 PERCENT AND COMBINE THE TOTAL INFLATION RATE OVER THE THREE YEARS OF 12 PERCENT THE SCHOOLS ARE BEING ASKED TO SPEND $.78 ON OPERATION & MAINTENANCE COSTS IN FY 87 WHEN THE ACTUAL COSTS WILL BE $1.12 WHEN COMPARED TO FY 84.

THE CONSTRUCTION LINE ITEM REQUEST FOR EDUCATION IS INADEQUATE BECAUSE IT IS -0-. WHEN NO FUNDS ARE REQUESTED IN FY 86 AND FY 87 IT INCREASES THE BACKLOG. THE UNHOUSED STUDENTS WILL CONTINUE TO BE EDUCATED IN OVERCROWDED, DELAPIDATED, AND ENVIRONMENTAL UNSAFE SCHOOL FACILITIES. EVERY YEAR A NEW SCHOOL IS NOT BUILT, IT INCREASES THE COST BY AT LEAST 5 PERCENT AND IN THE LONG RUN BY 100 PERCENT. I REMEMBER WHEN WE FIRST REQUESTED CONSTRUCTION FUNDS AT ST. FRANCIS INDIAN SCHOOL IN 1974, WE WERE ASKING FOR APPROXIMATELY $3,000,000. THIS YEAR THE BUREAU OF INDIAN AFFAIRS ESTIMATES A FACILITY TO MEET THE NEEDS OF ST. FRANCIS INDIAN SCHOOL WILL COST AROUND $10,000,000.

THE 23 PERCENT DECREASE IN FACILITY IMPROVEMENT AND REPAIR WILL INCREASE THE $400,000,000 BACK LOG. STUDENTS IN EXISTING SCHOOL WILL CONTINUE TO BE EDUCATED IN UNSAFE FACILITIES.

WE ALSO OPPOSE THE PROPOSED MORITORIUM ON NEW SCHOOL STARTS.

AS OF THE DATE OF THIS WRITING, THE TRIBAL SCHOOLS DO NOT HAVE ADVISE OF ALLOTMENTS (FY 86) FOR THE I.S.E.F., CONTRACT SUPPORT AND OPERATION AND MAINTENANCE. WE ARE 45 PERCENT INTO THE FISCAL YEAR AND 65 PERCENT INTO THE SCHOOL YEAR. I DON'T THINK WE CAN BLAME TRIBAL SCHOOL CONTRACTORS FOR ANYTHING WHEN THEY ARE UNABLE TO PLAN BECAUSE THE FEDERAL GOVERNMENT DOES NOT MEET THEIR CONTRACTUAL OBLIGATIONS. A WAY TO REMEDY THIS IS FORWARD FUNDING OR AT LEAST ADVANCE FUNDING WHICH IS AUTHORIZED IN PUBLIC LAW 99-89.

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

LINWOOD TALLBULL, BUSBY SCHOOL OF THE NORTHERN CHEYENNE TRIBE

Mr. YATES. Mr. Tallbull. There are several of them. You are here representing the Busby School, Mr. Tallbull.

Mr. TALLBULL. Yes, sir. Honorable Chairman, my name is Linwood Tallbull. I am a Chairman of the Busby School Board, also a member of the Tribal Council.

Mr. YATES. Your statement may go into the record. What is the problem with Busby School?

Mr. TALLBULL. The Busby School Board is requesting two items from you. One, that our high school grade levels 10, 11 and 12 be funded through the already appropriated ISEP line item—that is money allotted the Bureau for funding educational programs. We further request that $400,000 of the FI&R money be spent on our high school building so that it meets Montana State minimum code requirements. Neither of our requests increase the dollar amount appropriated—our requests simply ask that you direct the Bureau to include Busby in these two areas.

The problem of neglected facilities is not a unique problem to many Indian schools, but our problem at Busby is unique. In fact, our personal situation resulted in the school board's filing a lawsuit last spring. This U.S. Claims Court action is a direct result of the Bureau's continuous breach of our 638 contract, wherein they agreed to maintain these facilities.

As a direct result of their failure to maintain the high school building, the Office of Public Instruction of Montana and the Indian Health Services condemned the facilities as unsafe and we were forced to temporarily suspend our high school program.

When this happened in the spring of 1983, our reservation was left without secondary education available within its boundaries. We believe we are the only reservation of this size without a federally-funded high school program within its boundaries. We need your help.

Last fall, 1985, our school board, with total tribal support, resumed the education of these forgotten children in makeshift facilities. Although we had a 638 contract at the time allowing us to provide educational services for grade levels K-12, the Bureau has refused to finance these 65-80 high school students, saying that our effort to put these kids in a high school program represents an "expansion" forbidden by Congress instead of a resumption of an authorized, contracted program, as it truly is.

We have followed all of the administrative procedures available to us. We have had two hearings—one on the high school funding, another was recently held on the facilities, but no decisions have been made.

The U.S. Claims Court put our lawsuit on hold for several months so that the parties could explore settlement, yet no decisions have been made. We cannot afford to waste any more time. Our children are getting older, our pocketbooks are almost empty and we have no place left to go.

The Northern Cheyenne Tribe has recently decided to pursue creation of a reservation public high school district. This project will take time—time we do not have. Our children need an education now.

How do we tell our children that an American has walked on the moon, when we, ourselves, feel like aliens as soon as we leave our reservation?

How do we tell our children in the 10th, 11th and 12th grades that their school is fully accredited by Montana State, yet the BIA won't fund the program?

How do we convince our children education is important when the Bureau won't make the high school building safe?

We don't know the answers to these questions. We do know that secondary education is needed on our reservation and needed now. I am appreciative of the opportunity to speak to you today. I would appreciate the opportunity to supplement these remarks for the record. I want to thank you for taking the time to hear public testimony and I hope and pray you will respond positively to the Busby School requests.

[The statement of Mr. Tallbull follows:]

Busby School of the Northern Cheyenne Tribe
P. O. Box 38 (406-592-3646)
Busby, MT 59016

LINWOOD TALLBULL, Chairman, Busby School Board
NORTHERN CHEYENNE TRIBE, MONTANA

HONORABLE CHAIRMAN & MEMBERS OF THE COMMITTEE:

MY NAME IS LINWOOD TALLBULL. I AM CHAIRMAN OF THE BUSBY SCHOOL BOARD OF THE NORTHERN CHEYENNE TRIBE & A MEMBER OF THE TRIBAL COUNCIL. I HAVE BROUGHT WITH ME JOHNNY RUSSELL, VICE-CHAIRMAN OF THE BUSBY SCHOOL BOARD AND ALSO A MEMBER OF THE TRIBAL COUNCIL, AS WELL AS ONE OF OUR HIGH SCHOOL STUDENTS, LARRY WHITE DIRT. WE ARE GRATEFUL FOR THE OPPORTUNITY TO TELL YOU OUR PROBLEM. IT CONCERNS THE BIA'S FAILURE TO MAINTAIN HIGH SCHOOL FACILITIES ON OUR RESERVATION AND THE CONSEQUENT HARDSHIP FOR MANY NORTHERN CHEYENNE CHILDREN WHO HAVE BEEN LEFT WITHOUT ADEQUATE OPPORTUNITY FOR AN EDUCATION.

THE BUSBY SCHOOL BOARD IS REQUESTING TWO ITEMS FROM YOU: (1) THAT OUR HIGH SCHOOL GRADE LEVELS 10, 11 & 12 BE FUNDED THROUGH THE ALREADY APPROPRIATED ISEP LINE ITEM -- THAT IS MONEY ALLOTTED THE BUREAU FOR FUNDING EDUCATIONAL PROGRAMS. WE FURTHER REQUEST THAT $400,000 OF THE FI&R MONEY BE SPENT ON OUR HIGH SCHOOL BUILDING SO THAT IT MEETS MONTANA STATE MINIMUM CODE REQUIREMENTS. NEITHER OF OUR REQUESTS INCREASE THE DOLLAR AMOUNT APPROPRIATED -- OUR REQUESTS SIMPLY ASK THAT YOU DIRECT THE BUREAU TO INCLUDE BUSBY IN THESE TWO AREAS.

THE PROBLEM OF NEGLECTED FACILITIES IS NOT A UNIQUE PROBLEM TO MANY INDIAN SCHOOLS, BUT OUR PROBLEM AT BUSBY IS UNIQUE. IN FACT OUR PERSONAL SITUATION RESULTED IN THE SCHOOL BOARD'S FILING A

LAWSUIT LAST SPRING. THIS U. S. CLAIMS COURT ACTION IS A DIRECT RESULT OF THE BUREAU'S CONTINUOUS BREACH OF OUR 638 CONTRACT, WHEREIN THEY AGREED TO MAINTAIN THESE FACILITIES. AS A DIRECT RESULT OF THEIR FAILURE TO MAINTAIN THE HIGH SCHOOL BUILDING, THE OFFICE OF PUBLIC INSTRUCTION OF MONTANA AND THE INDIAN HEALTH SERVICES CONDEMNED THE FACILITIES AS UNSAFE AND WE WERE FORCED TO TEMPORARILY SUSPEND OUR HIGH SCHOOL PROGRAM. WHEN THIS HAPPENED IN THE SPRING OF 1983, OUR RESERVATION WAS LEFT WITHOUT SECONDARY EDUCATION AVAILABLE WITHIN ITS BOUNDARIES. WE BELIEVE WE ARE THE ONLY RESERVATION OF THIS SIZE WITHOUT A FEDERALLY-FUNDED HIGH SCHOOL PROGRAM WITHIN ITS BOUNDARIES. WE NEED YOUR HELP.

LAST FALL, 1985, OUR SCHOOL BOARD, WITH TOTAL TRIBAL SUPPORT, RESUMED THE EDUCATION OF THESE FORGOTTEN CHILDREN IN MAKESHIFT FACILITIES. ALTHOUGH WE HAD A 638 CONTRACT AT THE TIME ALLOWING US TO PROVIDE EDUCATIONAL SERVICES FOR GRADE LEVELS K-12, THE BUREAU HAS REFUSED TO FINANCE THESE 65-80 HIGH SCHOOL STUDENTS, SAYING THAT OUR EFFORT TO PUT THESE KIDS IN A HIGH SCHOOL PROGRAM REPRESENTS AN "EXPANSION" FORBIDDEN BY CONGRESS INSTEAD OF A RESUMPTION OF AN AUTHORIZED, CONTRACTED PROGRAM, AS IT TRULY IS.

WE HAVE FOLLOWED ALL OF THE ADMINISTRATIVE PROCEDURES AVAILABLE TO US. WE HAVE HAD TWO HEARINGS -- ONE ON THE HIGH SCHOOL FUNDING, ANOTHER WAS RECENTLY HELD ON THE FACILITIES, BUT NO DECISIONS HAVE BEEN MADE. THE U. S. CLAIMS COURT PUT OUR LAWSUIT ON HOLD FOR

SEVERAL MONTHS SO THAT THE PARTIES COULD EXPLORE SETTLEMENT, YET NO DECISIONS HAVE BEEN MADE. WE CANNOT AFFORD TO WASTE ANYMORE TIME. OUR CHILDREN ARE GETTING OLDER, OUR POCKETBOOKS ARE ALMOST EMPTY AND WE HAVE NO PLACE LEFT TO GO.

THE NORTHERN CHEYENNE TRIBE HAS RECENTLY DECIDED TO PURSUE CREATION OF A RESERVATION PUBLIC HIGH SCHOOL DISTRICT. THIS PROJECT WILL TAKE TIME -- TIME WE DO NOT HAVE. OUR CHILDREN NEED AN EDUCATION NOW.

HOW DO WE TELL OUR CHILDREN THAT AN AMERICAN HAS WALKED ON THE MOON, WHEN WE OURSELVES FEEL LIKE ALIENS AS SOON AS WE LEAVE OUR RESERVATION?

HOW DO WE TELL OUR CHILDREN IN THE 10th, 11th & 12th GRADES THAT THEIR SCHOOL IS FULLY ACCREDITED BY MONTANA STATE, YET THE BIA WON'T FUND THE PROGRAM?

HOW DO WE CONVINCE OUR CHILDREN EDUCATION IS IMPORTANT WHEN THE BUREAU WON'T MAKE THE HIGH SCHOOL BUILDING SAFE?

WE DON'T KNOW THE ANSWERS TO THESE QUESTIONS. WE DO KNOW THAT SECONDARY EDUCATION IS NEEDED ON OUR RESERVATION AND NEEDED NOW. I AM APPRECIATIVE OF THE OPPORTUNITY TO SPEAK TO YOU TODAY. I WOULD APPRECIATE THE OPPORTUNITY TO SUPPLEMENT THESE REMARKS FOR THE RECORD. I WANT TO THANK YOU FOR TAKING THE TIME TO HEAR PUBLIC TESTIMONY AND I HOPE & PRAY YOU WILL RESPOND POSITTIVELY TO THE BUSBY SCHOOL REQUESTS.

[illegible]
[illegible]
EDUCATION AND LABOR
SELECT EDUCATION
ELEMENTARY SECONDARY AND VOCATIONAL EDUCATION
EMPLOYMENT OPPORTUNITIES
LABOR STANDARDS
POSTSECONDARY EDUCATION

Congress of the United States
House of Representatives
Washington, DC 20515

[illegible]
WASHINGTON DC 20515
DISTRICT OFFICES
BUTTE
HELENA
MISSOULA

September 20, 1985

Mr. Linwood TallBull
Chairman, Busby School Board
Box 38
Busby, Montana 59016

To Whom It May Concern:

It is my understanding that on September 24, 1985, contract renegotiations will be held between the Busby School Board and the Bureau of Indian Affairs. The purpose of this letter is to indicate my strong support for a written extension of the existing contract until such time as the administrative appeal for grades 10,11,and 12 at Busby is resolved.

I am familiar with the history of the past failures of the Bureau of Indian Affairs to fulfill its trust responsibility for the education of students at Northern Cheyenne. I have been supportive of the parents, educators, tribal leaders and students at Busby to secure repairs to the existing facilities in order for an educational opportunity to be available. It appears that the School Board has been open to all kinds of options in their attempts to educate their children and yet have had to deal with what appears as an orchestrated attempt to force children to either spend hours on a bus to receive an education or drop out.

I urge the Bureau of Indian Affairs to approve the contract for continuation of grades 10, 11, and 12 at Busby . These children need to be educated. It is the Tribe's desire to provide that education. There should be no rational reason for a problem nor should there be a need for this letter, yet judging from past actions of the BIA, I'm concerned that what should be a routine renegotiation of a contract may be yet another opportunity for a denial of education to the Indian students at Busby.

There is an administrative appeal pending. Let's complete that process. Extending the existing contract will allow this issue to be resolved. The primary consideration must be to provide the best education possible for those Indian students at Northern Cheyenne. I'm hopeful that the actions of the Bureau of Indian Affairs will reflect this.

Best regards.

Sincerely,

Pat Williams

Pat Williams

Mr. **Yates**. Is the building unsafe?

Mr. **Tallbull**. Yes, by all the agencies, it is totally unsafe.

Mr. **Yates**. The agency?

Mr. **Tallbull**. The Public Health on Reservation and the State of Montana refused to accredit us because of the unsafe conditions that existed in our buildings.

Mr. **Yates**. In your school buildings?

Mr. **Tallbull**. Our high school building, yes.

Mr. **Yates**. In what respects is it unsafe? Are the walls falling in or the roof falling in or what?

Mr. **Tallbull**. The Bureau installed paneling that was not fireproof, fire code listed. We have electrical deficiencies. The Bureau installed ceiling tile that was not fire rated and won't be approved by the state.

Mr. **Yates**. When was this?

Mr. **Tallbull**. During the time they had the contract. We recently took over the contract.

Mr. **Yates**. How long ago did they have the contract?

Voice. Since 1982.

Mr. **Yates**. When did they put the ceiling in? How long ago? Five years ago? Six years ago?

Mr. **Tallbull**. Yes.

Mr. **Yates**. We will raise that with the Bureau. It does not make sense to put repairs up. It is a waste of money. Thank you very much.

Thursday, March 6, 1986.

EDUCATION

WITNESS

GERALDINE BRAVE, ST. FRANCIS INDIAN SCHOOL

Mrs. **Brave**. Good morning, Mr. Chairman.

I would also like to take the time here to introduce the people I have brought with me. On my left here is Mary Ann Brave, Treasurer of our corporation; two students, Diane Bordeau and Jaci Begay.

I am president of Sicangu Oyate Ho, Incorporated, which operates the St. Francis Indian School. One of our main concerns is——

Mr. **Yates**. Let me say your statement may go into the record.

Ms. **Brave**. One of our main concerns is that we have been appropriated money for planning and design, and we are beginning that process. We will be submitting an application of Public Law 93-638.

What we are more concerned about today is the construction funds. We met with the Bureau yesterday. We got favorable response, but we feel that we need to approach you and make you aware that we will probably want to start construction by 1987.

Mr. **Yates**. What are you constructing?

Ms. **Brave**. A new school.

Mr. **Yates**. A new school. Is this an expansion of the present school or is it entirely new?

Ms. **Brave**. No, it is entirely new. Our present school is celebrating its centennial this year. A task force has been out to lock at our school and in the report, it just was not worth repairing anymore because it is so old.

We have been trying to get a new school since 1975 and have been actively working on it. We are glad we are as far as we are in planning and design.

Mr. **Yates**. How many students do you have?

Ms. **Brave**. Currently we have 436.

Mr. **Yates**. Big group then. Is this high school or grammar school or both?

Ms. **Brave**. It is both. We house kindergarten through 12.

The second concern we have is we received a directive from the Bureau as to whether we considered modular buildings. We are not sure what they mean by "modular buildings".

Mr. **Yates**. They are modules and they add modules as you need expansion.

Ms. **Brave**. What we had been planning on is designing one whole school and we have also in the report submitted projected figures up to 1990, I believe. We have sent our consultant to Black Mesa School to check theirs out since they have modular buildings and report back to us on that. We are or will consider it as an option, but we are saying that we don't know if it will be feasible for our country, our area.

I would like to thank you for your interest in this and also thank you for your interest in our hospital. At this time I would like to ask——

[The statement of Ms. Brave follows:]

Sicangu Oyate Ho Inc.
ST. FRANCIS INDIAN SCHOOL
[illegible]
[illegible]
[illegible]

Written Testimony
Before U.S. House
Appropriations
Subcommittee for
Interior and
Related Agencies

March 6, 1986

Mr. Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear here today. I am Geraldine Brave, president of the board of Sicangu Oyate Ho, Incorporated, which operates St. Francis Indian School on the Rosebud Sioux Indian Reservation in South Dakota. In addition to the oral testimony, we would like to submit this written testimony, which has the support of the Rosebud Sioux Tribe.

The St. Francis Indian School is struggling with a seemingly endless number of problems that currently plague many of the tribally controlled schools, as evidenced by their documentation. Our school, in particular, has seen a proposed new school budget for construction plummet from 14 to less than 4 million dollars. Despite this, and a recent Bureau requirement for modular rather than conventional school buildings, we are asking you for a special appropriation for construction funds in fiscal year 1987. We are also seeking adequate annual appropriations for for programs used in our school. This testimony will be in three parts:

(1) Re-introduction to you of St. Francis Indian School to clarify our part in the historic role of the Congress in U.S.-tribal relations. We would not be here today except for the urgency of our situation in light of Gramm-Rudman. Mr. Boyd, a tribal education committeeman, can answer questions on the U.S. government's educational obligation to Indian tribes.

(2) Need for a new school in its centennial year. Two students, Diane Bordeaux and Jaci Begay, have lived a large part of their lives within the present school buildings, and will be able to tell you about them from the desk-roots level.

(3) Fiscal problems and proposed solutions which your Committee can handle through appropriations. Any clarification can be offered by either Mr. Bordeaux a graduate of our school, or Mrs. Left Hand Bull, also one of our graduates, and treasurer of Sicangu Oyate Ho, Inc.

RE-INTRODUCTION

As for the Government's educational trust responsibility to the Tribes of the Sioux Nation, our Tribe has on its reservation the St. Francis Indian School and Sinte Gleska College. Both accredited institutions operate under charters granted to them by the Tribe under provisions of public laws passed by Congress. St. Francis serves the Tribe's primary, middle and high school students and Sinte Gleska College provides post-secondary education.

The Sioux Treaty of 1868 at Fort Laramie, the last one made between the Tribes of the Sioux Nation and ratified by the U. S. Senate, has a provision for the U.S. government to furnish educational services to the Lakota people.

In 1886, St. Francis Mission was founded by the Jesuit Fathers and Franciscan Sisters at the request of Chief Spotted Tail. In 1972, control of the school and ownership of its property were assumed by the local Sicangu Oyate Ho Inc. (Voice of the Burnt Thigh People). This corporation consists of parents and guardians of student at our school. This year is the Centennial celebration of our school.

We are celebrating in our primary-middle school building that was completed in 1917 and in our high school building that was completed in 1910. Like other buildings across America that have endured this long, ours are designated as an historical site and are preserved as a shrine to the U.S. government's involvement in education for Native American children.

Lines of tourists file slowly through roped-off sections to experience a touch of history. No so with our school. There are few tourists here. Through our buildings in a year's time pass half-a-thousand Lakota youngsters, grades K through 12. They are crowded together in the active class areas, hallways and homerooms of our ever-increasing younger generation.

NEW SCHOOL

There is no doubt about a need for a new school located on land next door to existing buildings. St. Francis is currently rated in a tie with Ogalala Community School in the B.I.A. ranking system for new school construction. Originally, we were led to believe that our school would be constructed with $14 million. Other Bureau operated schools were recently completed with $10 to $12 million each. Our proposed $14 million was lowered to $10½ million, and just last month we were informed that the new school budget had dwindled to less than $4 million.

To accomplish building a new school on $4 million, the Bureau now plans to construct modular units in place of conventional school buildings. Such trailers are an outrage and an insult to the Lakota people. It is ironic that we who were once free to roam our plains now live immobile and rooted to our houses, while the schools that we must accept can be placed on wheels and whisked across the prairie. This year of our Centennial celebration, St. Francis is submitting paperwork for Planning and Design funds which your Committee and the Congress found necessary for our new school. We plan to use a P.L. 93-638 contract to do this, and hopefully, we will be able to begin construction of the school in 1987, the 101st year of existence.

Our first proposal for a new school was made about 1976. However, it was not till 1985, when a new school for the reservation became a number one priority of the local Bureau, Tribe, and school in an effort that sacrificed other important building plans. We say again, let us build a decent, conventional school.

FISCAL PROBLEMS/SOLUTIONS

1. Contract Support Funds: the problem is two-fold: (a) it is now six months into the fiscal year and seven months into the school year, but the lead agency, the Bureau of Indian Affairs, because of uncertainty of funding, is unable to tell us what we will receive for indirect costs on our programs, and (b) other agencies have such differing policies that we did not receive equitable indirect cost funds.

The solution is to allocate the lead agency enough funds to cover all the indirect costs necessary to operate all the school's programs and make a timely allocation of some percentage of the funding with the a final figure to come later. The lead agency must bear the burden of indirect costs so that amounts permitted by other agencies for this item are not detrimental to the school. Please note the indirect cost figures which we have had to negotiate in a variety of ways: lump sum agreement, indirect cost, and administrative costs:

PROGRAM AMOUNT	DIRECT COSTS		INDIRECT COSTS		PERCENTAGE
167,417*	146,857		20,560		14.0%
40,490*	37,500		2,990		7.9%
55,104*	47,186		8,918		18.9%
143,924*	134,844		19,080		14.1%
138,809*	138,809		0		0%
1,268,700 (estimate)	1,091,000	(tentative)	177,700	(last year)	16.3%
420,000 (estimate)	359,000	(tentative)	61,000	(last year)	17.0%
5,200*	5,200		0		0%
100,000*(estimate)	100,000	(estimate)	0		0%
2,339,644 (total est.)	2,060,396	(total est.)	290,248		14.1%

*Special Programs.

In our estimate to the Bureau -- which we have to make at least 90 days before the start of the fiscal year -- was that we need in the range of 18% of all programs in the school for administrative costs. Yet all non-Bureau programs are negotiated at least six months prior to when the Bureau makes its final allocations.

A final irony: before Gramm-Rudman became law, the government agencies had already reduced our indirect cost amount overall from 18.9% to 14.1% average, a decrease of 4.6%. With Gramm-Rudman, we will get a 4.3% decrease. So the total effect over the past three years is doubled.

2. Operational and Maintenance Expenses. Facilities Improvement and Repair (FI&R) funds are inadequate. Under our contract, the Bureau of Indian Affairs is responsible for items over $1,000 pending availability of funds. Until we get a new school, these costs will be with us and certain areas are neglected, including kitchen equipment and facilities, roofs, athletic locker room facilities, and old, worn out boilers for heating the school, to name a few pressing items.

A related problem involves the unavailability of private insurance firms to cover our buildings and our vehicles. As part of the national problem, we have been cancelled more than once. When we do obtain insurance, it is at sky-high rates. More funds are needed in the O & M formula.

3. Asbestos abatement problem. This continues to be an irritation locally and a crises of major proportions on a national level. There was $45 million allocated on June 6, 1985 nationally for the Schools Hazard Abatement Act. Our school was initially assessed as in need of $150,000 in abatement activities.

The last word from the Bureau of Indian Affairs was that only $8,365 was available from the Environmental Protection Agency and that these funds would be "used in the area of the school normally occupied by the teachers and the students." This token activity takes place this summer. A new school would solve the problem.

4. Red Tape. Once again, the school must protest the amount of red tape that is involved in a given Bureau program. On one hand, it has reduced paperwork, but on the other, it has gotten worse, and such excessive paperwork only questions the integrity of a school. For instance, the Bureau has added paperwork that now requires two contracts -- one for instruction and another for operation and maintenance, whereas in the past they had only one. Another example that sticks out is that one local administrator uses in excess of 25% of his time in meeting the reporting requirements for Chapter 1, a relatively small grant. President Reagan has spoken out repeatedly on reduction of paperwork, and with this statement, so have we.

Red tape or whatever is causing cash flow problems could be alleviated by forward funding.

In summation, our school is crumbling. Literally, because it was built out of concrete using "river" gravel and age has taken its toll. Some of our available educational monies are disappearing. For instance, Congress passed a law effective this school year allowing tribal members of less than 1/4 degree Indian blood to attend our school and be counted for funding. Due to a technicality in Bureau policy, we were denied funding for 22 such members -- another $45,000 down the drain for us.

And the Gramm-Rudman Act is fast becoming the reality that will starve our educational efforts.

Although our Tribe has many problems and many priorities, the Tribal Council has seen fit to pass Resolution 86-42 pointing out that education is the number one solution to our problems ranging from poverty to lack of jobs.

In conclusion -- to use an old but pertinent comparison -- President Reagan's budget cuts will take away most of our fish today, and Gramm-Rudman will take away the methods with which we teach ourselves to fish.

ROSEBUD SIOUX TRIBE
RESOLUTION NO. 86-42

WHEREAS: the Rosebud Sioux Tribe is a federally recognized Indian Tribe organized pursuant to the Indian Reorganization Act of 1934 and all pertinent Amendments thereof; and

WHEREAS: the Rosebud Sioux Tribe is governed by a Tribal Council made up of duly elected representatives who act in accordance with the powers granted to it by its Constitution and By-Laws; and

WHEREAS: the Rosebud Sioux Tribe has been involved in the history of the American Indian/United States relationship as evidenced by the "Civilization Fund" of the 1800's, the Treaty of 1868 at Fort Laramie, the Merriam Report of 1928, and Public Law 93-638 all of which resulted in a better education for our children; and

WHEREAS: education is the key of the future of the Rosebud Sioux people as advocated by our Lakota forefathers and agreed to by the United States of America; and

WHEREAS: education is needed so that our youth will not be caught in the recycle of ill health which has been our number one problem on the Rosebud Sioux Indian Reservation; and

WHEREAS: education is needed so that our youth will break the cycle of poverty, unemployment and welfare that has been our number one problem on the Rosebud Sioux Indian Reservation; and

WHEREAS: education is needed so that our youth will sidestep the social problems associated with alcohol and drug abuse which has been our number one problem on the Rosebud Sioux Indian Reservation; and

WHEREAS: education is needed so that our youth can overcome the lack of development of the natural and human resources here which has been the number one problem on the Rosebud Sioux Indian Reservation; and

WHEREAS: education is needed so that our youth will no longer contribute to the lack of law and order which has been our number one problem on the Rosebud Sioux Indian Reservation; and

WHEREAS: the Rosebud Sioux Tribe Education Committee recommends that education be declared the number one solution to the many and varied problems of the Rosebud Sioux Indian Reservation; now

THEREFORE BE IT RESOLVED, that as recommended by the Rosebud Sioux Tribal Education Committee, the United States Government recognize education as the number one solution to problems on the Rosebud Sioux Indian Reservation and give it the top priority in funding including an exemption from the Gramm-Rudman-Hollings Act; and

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the President of the United States and the Congress.

CERTIFICATION

This is to certify that the above Resolution No. 86-42 was duly passed by the Rosebud Sioux Tribal Council in session on February 14, 1986, by a vote of twenty-eight (28) in favor, zero (0) opposed and one (1) not voting. The said Resolution was adopted pursuant to authority vested in the Council. A quorum was present.

Alex J. Lunderman
Alex J. Lunderman, President
Rosebud Sioux Tribe

ATTEST:

Sharon L. Burnette
Sharon L. Burnette, Secretary
Rosebud Sioux Tribe

DATE SUBMITTED 2-21-86
TO ROSEBUD AGENCY SUPT. [illegible]

Mr. **YATES.** You are from the Sioux Tribe, aren't you?

Ms. **BRAVE.** Yes. I would like to ask our girls to say a little something.

Ms. **BEGAY.** My name is Jaci Begay. As a senior, I am one of the few to be proud to graduate from St. Francis Indian School. We need a new school to increase the lack of space and facilities we have and I think if we have a new school——

Mr. **YATES.** If you get a new school, what do you propose to do?

Ms. **BEGAY.** It would continue the spiritual and educational growth within our circle of families.

Mr. **YATES.** Okay. Good. All right.

Ms. **BORDEAU.** My name is Dianne Bordeau, I am the Vice President of the student body at St. Francis Indian School.

As a senior, I am proud to be graduating during our centennial year. I hope in the near future our under classmates will graduate from a safe and modern school and it will replace our old school.

Mr. **YATES.** Thank you. Thank you very much for your contribution.

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

CARMEN TAYLOR, NATIONAL INDIAN SCHOOL BOARD ASSOCIATION

Mr. **YATES.** National Indian School Board Association, Carmen Taylor.

Ms. **TAYLOR.** Good morning.

Mr. **YATES.** Good morning.

Your statement may be made part of the record.

Ms. **TAYLOR.** Thank you. Good morning, Mr. Chairman, members of the committee. I am here on behalf of the National Indian School Board, and I have just a few comments that I would like to make relative to the fiscal year 1987 budget for BIA education.

Overall, we do feel like the school operations portion of the budget has faired fairly well, but we are concerned that even the slight decrease that has been proposed could adversely affect current programs.

I think the schools are operating on bare bones kinds of budgets right now and can't afford any further reductions. Some of the proposed reductions result from tightening up—proposed tightening up of some guidelines for bilingual programs and intense residential guidance programs. We feel that it is rather premature to have some proposed decreases based on some guideline changes that are not yet final.

The other proposed savings under ISEP are due to reducing school staff appointments to time required for school term only and we already, in surveying most of the BIA funded schools, both tribal contract and BIA operated, we find they have already scaled back contracts to only the period school is in session and that any additional shortening of these contracts would create further problems with BIA funded schools being able to compete with public schools for higher salaries and employee benefits. Turnover of qualified, quality education personnel should not be further compounded by this proposed reduction in FTE, particularly at the school level.

Although the base value of ISEP has shown a slight but steady increase, it has not taken into consideration the not-so-slow increase in the cost of living during the same period. Each year, BIA's budget submission anticipates less children and estimates a higher base value for the next year, but for example, the estimate for this year was $2,226 base value per weighted student unit, but in fact the allotment calculation forms which the schools have finally received are showing $2,103 as the base value.

Although we support the amount requested for school board expenses and training, we do not support the language for an imposed ceiling.

I believe we testified on the same issue last year. There are many variables which affect what school boards expend and if they are attempting to get at any isolated cases of abuse, we don't feel like this is the way to do it.

In promoting local control through Public Laws 93-638 and 95-561, we feel those decisions are better made for training and expenses at the local level. We would recommend putting that money into the ISEP and eliminating the ceiling language and let those decisions be made at the local level.

Probably one of our biggest concerns is in the area of notification of allotments. We are now into the seventh month of the school year. Final allotments have been just received at the schools probably within the last week-and-a-half. At a time when accountable is being increasingly stressed, we feel like in order to do proper fiscal planning, that situation has to be changed. Although we would prefer forward funding, we would at least request consideration of advance appropriations to perhaps help rectify that situation.

Johnson O'Malley, we are opposed to the proposed transfer of Johnson O'Malley, primarily because it does not permit any further contracting of Johnson O'Malley programs under 638. Most of those programs currently are contracted by tribes. Under the proposed transfer, it does not appear that that option would any longer be available.

Although in the area of continuing education it does not directly impact schools, there is an indirect impact because of the need of highly trained individuals. We are concerned also about the possibility of sequestering under Gramm-Rudman and I will be submitting for the record a sampling of what schools have submitted if sequestering at the estimate of 25 percent would take place.

Some examples are increasing of teacher/pupil ratios eliminating food service programs, loss of accreditation and closure of schools is a very real possibility and we would like to request consideration that Bureau funded schools be exempt from the effects of Gramm-Rudman.

I would just like to, on behalf of the Board of Directors for the National Indian School Board and its membership, thank you for the opportunity to support our concerns.

Mr. YATES. Thank you very much. I am sorry about the phone call.

Ms. **Taylor.** Thank you.

[The statement of Ms. Taylor follows:]

NATIONAL INDIAN SCHOOL BOARD ASSOCIATION
TESTIMONY

Prepared for the House Appropriations Subcommittee for Interior and Related Agencies -- March 6, 1986

Mr. Chairman and Members of the Committee:

My name is Carmen Taylor. I am here on behalf of the National Indian School Board Association. The primary objective of NISBA is to assist in the faciliation of the BIA's Congressionally-mandated policy of Indian control in all matters relating to Indian education by providing its members advocacy, communication, training and technical assistance. Formed in 1982, its members include school boards from BIA-operated and tribal contract schools as well as parent committees and tribal education committees. NISBA's members come from several states, primarily North and South Dakota, Montana, New Mexico, Arizona, Minnesota and Maine.

We do feel that at least the school operations portion of the budget has faired reasonably well, but because the ISEP dollars are basic and not supplementary, we do feel that it is critical that no further reducations be made and that even the slight decrease proposed could adversely affect current programs.

1) 1.5 million dollar decrease in bilingual and $600,000 decrease in intense residential guidance. It is proposed that there will be significantly less WSU's in these areas. However, it is premature to propose these decreases when the final changes to BIA's guidelines for eligibility are not complete. These proposed changes are much too restrictive and need careful examination prior to finalization.
2) $699,000 decrease due to reducing school staff appointments to time required for school term. Most BIA-funded schools have already scaled back teachers' contracts to only the period school is in session. Additional shortening of contracts for teachers and administrators would create further problems with the BIA-funded schools being able to compete with public schools for higher salaries and employee benefits. Turnover of qualified, quality education personnel should not be further compounded by this proposed reducation in FTE -- particularly at the school level. Any actions of this type should be at the administrative level (Agency, Area or Central Office Operations).

Although the base value of ISEP has shown a slight but steady increase it has not taken into consideration the not-so-slow increase in the cost of living during the same period. Each dollar buys less milk, food, books, pencils and other necessary purchases than the year before.

Each year BIA's budget submission anticipates less children and estimates a higher base value for the next year. For example, the estimate for this year was $2,226 base value per weighted student unit, but in fact the allotment calculation forms which the schools have finally received are showing $2,103 -- $123 less.

School Boards. Although we support the amount requested for school board expenses and training, we do not support the language for an imposed ceiling. While there may have been some past cases of abuse, the vast majority of school boards working with the school's responsible fiscal agent -- the principal -- will not spend money at children's expense. Instead of "punishing" all boards for isolated cases of abuse, those situations should be handled on a case-by-case basis. On the one hand, Public Laws 93-638 and 95-561 encourage full involvement of Indian people in running their programs; on the other hand, BIA imposes restrictions which permit little flexibility in decision-making and determining/priortizing needs.

BIA's FY 1987 budget estimates the base value for ISEP at $2,227 for the 1986-87 school year. If the $1,235,000 line item for school boards was added into ISEP, it would increase the base value by $18 per WSU. Doing this and eliminating the ceiling language would be more appropriate and would promote the policy of local control.

Advance Funding. We are now into the 7th month of the school year and final allotments have just been received at the schools. In this time of increased fiscal accountability, it is essential that the principals and tribal contractors be notified much earlier in order that they can have more control over fiscal planning and prioritizing. Forward funding is the preferable solution. However, we realize it is unlikely to get a one-time double appropriation at a time when there is such an urgency to reduce the national deficit. Therefore, we request the Congress to consider advance appropriations as authorized in Public Law 99-89. Almost all education programs in the Department of Education are already either forward funded or receive advance appropriations.

Johnson O'Malley. NISBA is opposed to the transfer of Johnson O'Malley from BIA to the Department of Education. The "current administration policy of consolidating in the U.S. Department of Education all funding for education programs serving Indian students in public schools" is a policy which has been stated for the first time through the 1987 budget development. As a policy, it is contrary to the Administration's policy of recognizing the government-to-government relationship which encourages tribal contracting and other self-determination practices. JOM is a program which tribes have successfully contracted under 638. In 1984, for example, 220 of 291 JOM contracts were to tribal governments. Under the proposed transfer, this option would no longer be available.

Continuing Education. Although the proposed decreases in higher education do not directly impact BIA school operations, we are concerned about the FY 1987 budget proposal regarding the decreases in special higher education and the decrease for Tribally Controlled Community Colleges. There is indirect impact because of the ever increasing need for highly trained individuals to meet the increasing technological and professional needs of tribal governments as they pursue economic self-sufficiency and for qualified Indian educators to staff the schools serving our children.

Impact of PL 99-177, Gramm-Rudman-Hollings Act. The possibility of sequestering in FY 1987 would have devastating consequences for the BIA/tribal school systems. I will be submitting for the record a few examples of what schools have said might happen. A 25% across the board reduction would require that one or more of the following actions be taken:

1) Increase teacher/pupil ratios
2) Eliminate food service programs
3) Purchase no new supplies or materials
4) Abolish positions
5) Stagger bus runs or eliminate transportation altogether
6) Eliminate all student activities

Increasing teacher-pupil ratios, reducing teaching hours each day -- perhaps even reducing the number of school days, are very real possibilities. Consequences would be inability to meet accreditation requirements -- or for those who have already achieved it -- the loss of accreditation. Closure of schools is more than just a possibility in many cases. The results would include decreased attendance and participation by students and an adverse affect on school climate.

Because ISEP is the basic support for BIA-funded schools and because of the federal government's responsibility for education of Indian children, we request the Congress to seriously consider exempting all Indian education programs for the affects of Gramm-Rudman-Hollings.

Finally, I would like to state that we are tired of BIA's policy, guideline, and regulatory changes being done through the budget process. Time after time the administration proposes decreases in dollars based on changes which have not yet become final. The Bureau of Indian Affairs needs to be reminded of its existing policies of consultation as required in CFR 25, Part 32. These policies were not "accidentally" developed through the budget process -- but were developed by a task force after the passage of Public Law 95-561. The process included considerable tribal input after an extensive hearing and consultation process.

On behalf of the Board of Directors for the National Indian School Board Association and its membership, I thank you for your past support and for this opportunity to communicate our concerns to you once again.

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESSES

RAYMOND MORGAN, PRESIDENT, NAVAJO AREA SCHOOL BOARD ASSOCIATION AND THE EASTERN NAVAJO AGENCY SCHOOL BOARD

VERNON DUUS, STAFF DIRECTOR, NAVAJO AREA SCHOOL BOARD ASSOCIATION

Mr. YATES. Navajo Association. Mr. Morgan and Mr. Duus. You have a statement that will be made part of the record.

Mr. MORGAN. Thank you, Chairman Yates, for the opportunity to testify before you on the various issues concerning education. My name is Raymond Morgan with Vernon Duus here.

I am the President for the Navajo Area School Board Association and the Eastern Navajo Agency School Board. I am accompanied by Mr. Vernon Duus, staff director for our Association.

Our Association which represents approximately 60 school boards on the Navajo reservation has prepared written testimony on the fiscal year 1987 Bureau education budget. We have included school profiles of various representative sized schools on Navajo in order to dramatize the effects of sequestration under the Gramm-Rudman Act. The impact of these potential cuts are summarized in the testimony. We basically support and were very pleasantly surprised by the proposed 1987 budget for BIA education.

We have also included a summary of a project we have undertaken with regard to the Facilities Operation and Maintenance monies and wish to utilize our brief time at this hearing to make you aware of this project. Over the years, we know that this committee, in particular, has been concerned about the totally inadequate facilities maintenance program on the Navajo reservation.

In 1976, your committee conducted an investigation of facilities management and was extremely critical of the program. NASBA has also been extremely critical of facilities management and we have initiated a project to deal with the subject utilizing Public Law 93-638. We have begun a pilot project in the Eastern Navajo Agency, which is the largest agency in the Navajo area.

Currently, we are studying feasibility and planning the project. We have received a small amount of funds from the Navajo Area Office and have subcontracted some of the technical aspects of the study to an Indian-owned construction firm. In the meantime, we are working to create an administrative system where local school boards will become much more involved in determining maintenance priorities.

At a later date when the full report has been prepared, we would like again to present that report to the committee members and staff. It is anticipated that over a three year period, the entire Navajo Area Facilities O&M function will be taken over under contract by NASBA. This seems appropriate since the great majority of Navajo Area Bureau facilities are school buildings.

If you have any questions, we would be happy to answer them.

We would like to submit this later to Mr. Yates and the committee for the record as part of the supporting documents on the findings of the construction company. There is a copy of that letter.

Mr. YATES. That letter may go into the record at this point.

[The statement of Mr. Morgan follows:]

NAVAJO AREA SCHOOL BOARD ASSOCIATION
TESTIMONY ON BIA EDUCATION APPROPRIATIONS
PRESENTED BY RAYMOND MORGAN, PRESIDENT

Basic BIA Education programs should be granted exemption from automatic spending cuts under Gramm-Rudman.

Two factors distinguish basic BIA Education programs from the other federal education programs and the state systems.

1. It is basic, not supplemental as are the various title programs.

2. There is no other source of funding for the programs. State systems can conceivably raise state taxes to make up for decreases in P.L. 874 funding and the loss of various supplemental funds. In the BIA system there would be no option other than to significantly cut programs or close. In the event that BIA schools began to close, a tremendous tax burden would be transferred to the states. All of which would seem quite ridiculous in the name of avoiding a federal tax increase.

NASBA, under the circumstances, supports the proposed FY 87 Bureau of Indian Affairs Education Budget.

We were both surprised and pleased when we first saw the FY 87 BIA Education Budget. It reflects the fact that the Bureau has been finding more efficient ways to operate. Given the limitations inherent in the federal system, the budget figures acknowledge that there is not much more that can be done to reduce the budget and still maintain a minimum standard of education. Significant cuts of the magnitude envisioned under Gramm-Rudman legislation could not be sustained while retaining any semblence of comparability with the state public school systems. Some cuts might be possible if other legislation was amended or rescinded; for example, the wage-grade system for determining salaries for certain positions such as cooks and bus drivers results in these staff being paid at substantially higher rates than their positions warrant. It is not uncommon for cooks to be paid salaries equal to principals and for bus drivers to receive higher wages than teachers; very different from the situation found in public school districts across the country.

Also, we are in the first year of implementation of the Bureau of Indian Affairs Education and Dormitory Standards. In many cases, schools are not adequately funded to meet the new standard.

The FY 87 proposed budget will at least put the Bureau Education program into a "holding" pattern. New initiatives will have to be delayed unless they involve a redistribution of already available funding. Vacant positions for the most part will have to remain vacant, unaccredited schools will have to remain unaccredited, uncertified status quo staff members will probably have to remain uncertified, facilities with maintenance problems will continue to have maintenance problems, etc. With these qualifications, NASBA supports the education budget. It is well put together and well justified.

School Profile Analysis

The Navajo Area School Board Association Office has developed a form which attempts to identify the impact of the Gramm-Rudman Act on Navajo Area schools in FY 87. The profiles are put together as a "worse case scenario" to get people to begin thinking about what would necessarily have to happen in the event that cuts of up to 25% were sustained by BIA Education. A summary of that impact is as follows:

1. Nearly all the schools indicated that their accreditation status would be in jeopardy or they indicated that there would be no chance of them meeting the applicable standards.

2. Nearly all indicated that they would have to lengthen the period of furlough for civil service employees and would have to shorten the period covered by education contracts.

3. Many indicated that they would have to abolish some or all of their educational aide positions in the classroom.

4. Nearly all indicated that they would have to severely cut back on basic supplies and materials purchased by the school even including such essentials as textbooks.

5. Day schools indicated that there would be considerable reorganization of the bus program where bus drivers would have to be RIFed and bus runs staggered and lengthened to cut costs while still getting the students to class.

6. Many indicated that the fact of lengthening furloughs and shortening teacher contracts would result in their employees seeking employment elsewhere in the public schools where salaries are already considerably higher than salaries in Bureau schools.

7. Many indicated that they would have to abolish all field trips for students and cut student activity programs.

8. Junior high and high schools indicated that the athletic programs, particularly inter-scholastic sports, would have to be eliminated.

9. Many indicated that there would be safety problems due to inadequate student supervision in dormitories, playgrounds and classrooms.

10. Some indicated the very real possibility that their schools could not remain open.

11. Much concern was expressed that cutbacks in U.S.D.A. reimbursements would cause the elimination of some feeding programs - for example, breakfast programs in day schools - and that the reduction of U.S.D.A. funds would have to be made up from the basic school budget. This would cause further financial shortages in the academic and homeliving programs.

It is clear from the responses to the question of what specific actions are being taken to absorb the FY 86 cuts that the schools are down to a minimum level of service. These schools are in the process of adjusting their programs to meet the recently adopted Bureau of Indian Affairs Academic Standards and Dormitory Criteria. Some have also had to make adjustments to comply with student attendance areas implemented on Navajo for the first time in FY 86.

One fact which is very striking is that the great majority of educators and other employees hired at these schools are Indian. In the context of these schools it also means that the employees are for the most part Navajos whose homes are in the communities that these schools serve. The economic impact of the reductions-in-force and extended furloughing will be extremely difficult for these families and communities to absorb. The unemployment rates and welfare roles will soar since there is no other substantial means of employment in these communities. Also, the very small number of "permanent full-time" employees should be noted. The status of such employees was for the most part changed within the last few years to furlough status. Vacant positions since 1979 have been filled under the provisions of P.L. 95-561 as "contract educators."

Finally, aside from the sheer amounts involved in the cuts as demonstrated from FY 85 to FY 87, the distribution of where the funds will be used should be noted. In most cases, the percentage used for personnel climbs dramatically since there is no provision under Gramm-Rudman for reducing salaries. Reductions-in-force will be required but it is very difficult to save any money by this means due to the extensive time required to conduct a RIF and the fact that such employees are entitled to severance pay.

Transfer of special enrichment program funds to BIA

The Navajo Area School Board Association supports the concept is unclear from the FY 87 budget justification exactly how this program would be administered. NASBA is unaware of any programs which have ever been funded by Title IV which directly involve Bureau of Indian Affairs schools. NASBA has submitted proposals under Part B of the Indian Education Act on behalf of Bureau school boards and has felt that these proposals did not receive due consideration since the programs would be implemented in Bureau schools.

There is a great need for a special enrichment fund for Bureau schools. The students in Bureau of Indian Affairs schools have as much need for special enrichment programs as those students in contract schools, public schools, private schools, etc. NASBA supports the use of the criteria established for Title IV programs as a basis for the Bureau program.

Facilities Operations and Maintenance (O&M)

NASBA was successful in acquiring a contract modification late in FY 85 to do a feasibility study and plan for a P.L. 93-638 contract for the total Navajo Area Facilities O & M program. This was accomplished with the full support of the Education Committee of the Navajo Tribal Council and the Navajo Tribal Chairman. A search for an appropriate sub-contractor was conducted and an Indian construction and maintenance firm was selected to perform the technical portion of the study. The basic strategy is to develop a plan within certain parameters and with certain well-considered assumptions; then to determine the feasibility of setting the plan into motion, taking into consideration all the other known or anticipated factors. For example, the passage of the Gramm-Rudman-Hollings Act may have considerable impact as might possible amendments to P.L. 93-638 regulations. Tribal laws such as the Navajo Business Preference Act could also create serious limits on what can be done and how it can be done. If the program would suffer due to a contract, then the decision on contracting must be negative. If there is a very good possibility that services would improve under a contract, then the decision will be positive.

Due to limited funding and proper caution, this project will be piloted in one agency and gradually expanded to the other agencies once the "bugs" have been worked out. Since the system is more or less uniform throughout Navajo, a system developed in one agency will be readily transferable to the others. Because of identified interest through agency board action, the Eastern Navajo Agency has been selected for the pilot project. An advisory group of high level Bureau and tribal officials is being selected to assist NASBA in making critical policy decisions.

A major focus of this project is to charge local boards with an oversight role and a decision-making capability in the maintenance of their local schools.

Mr. YATES. Does that complete your statement?

Mr. MORGAN. Yes.

Mr. YATES. All right.

Mr. MORGAN. Thank you for your time.

Mr. YATES. Thank you for coming in and telling us about it.

Mr. MORGAN. Will I be meeting with you later on on the facilities?

Mr. YATES. All right.

THURSDAY, MARCH 6, 1986.

GRADUATE SCHOLARSHIPS

WITNESS

LORRAINE EDMO, AMERICAN INDIAN SCHOLARSHIPS

Mr. YATES. American Indian Scholarships, Ms. Edmo. Your statement may go into the record.

Ms. EDMO. First of all, I would like to thank you, Chairman Yates, for allowing me the opportunity to testify.

I know that John Rainer has told me you have always been a supporter of American Indian Scholarships and I appreciate your support and consideration.

I have been serving as Executive Director of AIS since December of 1983 and as you know, we serve American Indian and Alaska native graduate students throughout the United States and I am here to try to save the BIA's graduate program from being wiped out.

The administration has not requested any funds for the program in 1987, Also last December, there was an action to consolidate both my program and the American Indian Law Scholarship Program into one graduate contract, and right now we are in the process of bidding on that contract.

So there will be one program for the 1986–87 academic year. But regardless of who gets the contract, I don't think that the graduate scholarship program should be ended.

Especially when the announced goal of the Federal Government is in carrying out its trust responsibility to American Indian tribes and Alaska natives is to promote economic development and self-sufficiency.

We consider the graduate program to be one of the best investments in the development of economics, of reservation economies and self-sufficiency. I think every tribe needs doctors and lawyers and educators and business leaders and no one can dispute that, that we need these people to help develop self-sufficiency.

Therefore, I think it is really critical to continue the support for graduate education. Rather than going through all of my comments here, I will try to summarize.

Mr. YATES. Good.

Ms. EDMO. All of our graduate students participate in regular college loan programs like thousands of other college students and this has changed somewhat from about three or four years ago. We weren't previously required to go through all of the loan programs but we are now.

We have to package students with loans and with tuition waivers and with whatever kind of state aid that they are eligible for. So the problem is that these state administered loan and grant programs are also in jeopardy of being cut back, too. So that is why this program is really critical for Indian graduate students and especially when tribes have an unemployment rate ranking from 40 to 80 or 90 percent in some cases.

As far as our current costs and needs, last summer we had 100 graduate students applying for aid and we were only able to assist 22 of those. If you take 78, the other 78 times an average need of $2,000, then we had an unmet need of $150,000 just for the summer.

For the current academic year, we were only able to assist 194 of 446 and their unmet need for the academic year was $301,000 and also there were 56 who were only given partial aid for the spring and winter and so the total unmet need for the summer and academic year was over a half million dollars.

So then we are also serving students from 75 different tribes and Alaskan villages who are attending school at 99 colleges and universities throughout the country. In my state alone, in New Mexico, there are 22 law students at UNM and ten at the University of New Mexico and New Mexico State.

So my state would be losing over $160,000 if these programs were not funded in 1987. As far as the transfer of Title IV is concerned, this is being proposed to transfer over $2 million from Title IV over to BIA. We are not in support of that because I think that these programs serve two different constituencies and both are needed, both programs right now have an appropriation of about $3.4 million and even with that amount of money, we can't meet the need of all the students.

So I think that both programs need funding and they should remain as they are. I have already contacted Senator Domenici's staff, too, as well as Senator McClure's staff, and asked for their support and they are supportive in at least Senator Domenici is in trying to get these programs restored for 1987.

So those are my three recommendations. First of all, for restoration of the 1986 level of funding, the pre-Gramm-Rudman-Hollings level of funding and, second, to be that we want the graduate scholarship program to be exempt from any further cuts in the 1987 budget, and third, that the fellowship program should remain in Title IV and we want the BIA special graduate scholarship program as well.

Mr. Yates. Good. Thank you

Ms. Edmo. Thank you

[The statement of Ms. Edmo follows:]

TESTIMONY

Submitted to:

Subcommittee on Interior Appropriations

U.S. House of Representatives

Rep. Sidney R. Yates, Chairman

Submitted by:

American Indian Scholarships, Inc.

Albuquerque, New Mexico

Lorraine P. Edmo
Executive Director

Mr. Chairman and Members of the Committee:

My name is Lorraine Edmo and I am the Executive Director of American Indian Scholarships, a national, non-profit organization whose purpose is securing financial support for American Indian and Alaska Native students attending graduate and professional schools throughout the country. Today I am appearing to ask for your support in saving the Bureau of Indian Affairs Special Graduate Scholarship Program by restoring funding to the BIA's Indian graduate program in the 1987 budget.

American Indian Scholarships is one of two Indian organizations which has contracted to administer the BIA's two Indian graduate programs. American Indian Scholarships has administered the Special Graduate Scholarship Program since 1972. We assist graduate students in all fields except law. The American Indian Law Center has administered the BIA's Indian Law Program since 1972 as well. Last December the BIA combined these two graduate programs to begin in the 1986-87 academic year and will now contract with only one organization to operate the combined programs. Whichever organization receives the contract in the future, the BIA's graduate education program should not be ended.

Today, the announced goal of the federal government in carrying out its trust responsibility to American Indian tribes and Alaska Native groups is to promote tribal economic development and self-sufficiency. We consider the BIA's graduate program to be one of the best investments the federal government can make in providing the trained Indian professionals needed by tribes to improve their reservation economies and to lessen their dependence on the federal government. Every tribe is in need of Indian doctors, lawyers, business leaders, educators, natural resource managers and other highly educated Indians. Only by having their own people trained in these critical areas will Indian tribes ever attain the economic self-sufficiency which they want even more than the federal government.

Therefore, if the federal government is sincere in its declarations of improving tribal economies, it should continue its support of Indian graduate education. We feel that our former fellowship recipients are testimony to the high caliber of Indian people who have been assisted over the years by the BIA's graduate programs. Many of them now hold responsible positions within their tribes or communities, as well as with states, the federal government and private industry.

Unfortunately, the Administration has not requested any funds for the BIA's Indian graduate program in its 1987 budget. Therefore, most of the 330 graduate students now receiving assistance from AIS and the law program, as well as those who would be starting their graduate studies in 1987-88, will not be able to attend graduate school unless these funds are restored.

Therefore, it is extremely important that funding for this graduate program be continued. Most Indian students from federally-recognized tribes would not be able to obtain graduate-level degrees without the BIA's program. I would like to point out that this is a supplemental program, providing only partial support for the students assisted. Applicants are required to apply for all the campus-based aid for which they may be eligible. Graduate students are eligible for only a limited amount of state provided aid which is also being cut back. Indian graduate students participate in the regular college loan programs like thousands of other college students. These state administered loan & grant programs are also in jeopardy of being cut. The condition that makes the BIA's program critical to Indian graduate students is that most of their families cannot contribute to their college education. As many of you are aware, reservation economies are very depressed, with unemployment ranging from 40 to 80%. The BIA graduate program, therefore, is the difference in most Indian students being able to obtain graduate and professional education degrees.

Current AIS Costs and Needs

Even the BIA's graduate program does not meet the full need in this area. For the 1985 summer term, AIS could only assist 22 of the 100 applicants from our federal and private sources. The other 78 students were denied due to lack of funds. Funding had to be restricted to those in a year-round course of study or those graduating at summer's end. Our unmet summer need was an estimated $150,000.

For the current 1985-86 academic year, AIS has only been able to assist 194 of the 446 applicants. The need of the eligible applicants we had to deny was $301,500. There were also 56 students who were given only partial assistance due to our lack of funds but who still needed $83,400. Therefore, out total unmet need for the 1985 summer term and this academic year is over half a million dollars.

The 194 Indian graduate students we are serving are from 75 Indian tribes and Alaska Native groups. They attend 59 colleges and universities in 32 states and Canada.

Transfer of Title IV (Part B)

Although the Administration has not requested any funding for the Special Graduate Scholarship Program in Fiscal Year 1987, it is proposing to consolidate its graduate scholarship program with the Department of Education's Indian Fellowship Program funded under Title IV (Part B). I understand that this consolidation and transfer of funding would require new authorizing legislation from Congress and that it is unlikely that this legislation could be passed prior to the next fiscal year. Already a number of Indian groups and tribes are opposing this transfer.

If this plan were to take effect in the FY 1987 budget, there would be less funding for American Indian and Alaska Native graduate students. The Title IV fellowship program is currently serving an estimated 165 students with a funding level in FY '86 of around $1.4 million. When this is combined with the estimated $2 million from the BIA's Special Graduate Scholarship Program, the amount available for the 1985-86 academic year was $3.4 million.

In FY '87, the BIA claims there will be $2 million available, presumably from the DOE appropriations. If this amount were appropriated, then Indian graduate students would have $1.5 million less in scholarship aid in the 1987 budget. This means that an estimated 150 to 200 Indian graduate students would not be served, and they would not have any other source of funding available for graduate education.

Recommendations

I have three recommendations I would like this committee to consider in developing the 1987 budget and policy. We would like these recommendations included in your support of favorable funding for the BIA's Special Graduate Scholarship Programs.

First, we want to see restoration of funding at the 1986 level of $1,939,000 for the BIA's Special Graduate Scholarship Programs in the 1987 budget.

Secondly, we want the BIA's Graduate Scholarship program to be exempt from any further budget cuts due to the Gramm-Rudman-Hollings Act.

Third, we want the Title IV Indian Fellowship Program to remain in the Department of Education in FY 1987. We want to be consulted about any proposed program transfers in the future and on funding levels for new graduate fellowship programs.

I appreciate the deep concern this committee has expressed for American Indian graduate education, and I would like to thank you for allowing me the opportunity to submit this testimony.

Respectfully submitted,

Lorraine P. Edmo

Lorraine P. Edmo
Executive Director
American Indian Scholarships, Inc.

THURSDAY, MARCH 6, 1986.

TRIBALLY-CONTROLLED COLLEGES

WITNESSES

JANINE WINDY BOY, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

DEAN JACKSON, NAVAJO COMMUNITY COLLEGE

Mr. YATES. American Indian Higher Education Consortium. Your full statements may go into the record.

Ms. WINDY BOY. Good morning. My name is Janine Windy Boy. I represent the American Indian Higher Education Consortium testifying on Title I of the Tribally-controlled Community Colleges Assistance Act. Joining me today is Dean Jackson, who is president of Navajo Community College. He will testify on Title II of the Act.

I am an enrolled member of the Crow Tribe. I am currently serving as president of Little Big Horn College. The tribal colleges do have an organization which represents their interest and concerns on the Act called the American Indian Higher Education Consortium.

I am currently serving as treasurer of that organization. There are 19 tribally controlled colleges in the consortium that have been funded through operational grants under Title I. There are seven in the State of Montana, four in the State of North Dakota, four in South Dakota and four others, one each in California, Nebraska, Washington and Wisconsin.

Our colleges rank from 480 at Oglala Lakota to 47 at Cheyenne River in South Dakota. The oldest of our colleges is now 15 years old and the youngest is only six months in age.

During the past 16 years, the colleges have developed into sophisticated higher education institutions providing both academic and vocational training. I would like to recognize some of the land mark successes.

First of all, more American Indian students than ever before are enrolled at tribal colleges. In 1981, the first effective year of Title I, the colleges enrolled 1,689 FTE. Today we are looking at 3,000 FTE for the current fiscal year so that over that six year time, we have recognized 78 percent growth.

Secondly, tribal college graduates are doing successful kinds of endeavors after their graduations. In a study in North Dakota, there were completions of 86 percent of those graduates finished their education after they went to four year colleges or universities. This is remarkable in comparison to what they have been able to do going directly to a state college or university.

In fact, there is a 90 percent drop-out in state institutions where American Indian students are attending. In some of the states, particularly for an example in Montana, there are more students from American Indian background in tribal colleges than there are in all of the colleges in the rest of the state.

So we are making a major in-road into educating American Indians. In addition, I would like to mention that our accreditation status among our member colleges is exemplary. We now have seven colleges who have achieved full accreditation.

This is tremendous recognition by peers and for the kind of quality that the colleges have been able to provide. In addition, there are seven colleges who have achieved candidacy for accreditation. While we have our successes, we have a number of challenges I would like to bring to your attention.

The first is that our appropriations have continued to erode. While, of course, we have appreciated the increases that have been recommended by the subcommittee here and through your leadership, Mr. Chairman, the real measure of appropriations has to do with the student support. We would like to point out at this time that Title I has gone from $3,100 per FTE in 1981 down to the current to $2,367 per FTE in the current fiscal year.

At the same time, our costs have risen. The costs of supplies and materials, faculty and staff, as well as the cost of heating fuels and electricity have outstripped whatever increases we have realized through the appropriations process and it has forced some of the colleges to close in the summertime as well as to drastically reduce salary levels.

Finally, together with the declining dollars for student support and the increased enrollment which we mentioned earlier in our successes have made it a very difficult kind of budgeting formula for us to deal with as colleges. It makes it difficult to plan budgets.

It makes it difficult to cover those kinds of operational costs typical to college operation. We have charted out these two dynamics in our testimony and I am summarizing those particular factors in my verbal testimony.

In regard to the President's budget, the Consortium does not support the material that has been presented by the Bureau of Indian Affairs. I would like to point out that we have had a problem continuing to identify accurate data.

We would like to point out to the subcommittee, Mr. Chairman, that the data that has been submitted each year in the justification of the budget varies considerably with actual counts and reasonably based projections for enrollment.

Because our appropriations are so dependent on the numbers of student counts, we feel that accuracies of information and data is very, very important. In the material submitted this year, the Bureau has underestimated, we feel, by a large share, in fact, 458 FTEs.

This is a serious error because what happens then is that while it looks like from the information they submit, student support would be at a particular level, in fact, will be sub-dividing more and more by a much higher level of FTEs.

We recommend that tribal colleges simply cannot operate on anything less than $3,000 per FTE. How does that compare nationally?

The American Association of Junior Colleges recommends a mean average of $3,400 per FTE across the Nation. This is a reflection of public institutions. This compares to what we are going to look like next year under what the BIA proposes a $2,180 as compared to $3,400. Our colleges really have very few alternatives for funding.

I would like to point out too, in the language of the budget. The Bureau calls these operational grants seed money. The Consortium takes the position that this represents an image of the money that is not in fact true. These are operational grants.

Seed money implies a one-time or short-term commitment. The act is clearly written as operational for the support of higher educational kinds of learning activities in the tribal colleges. Sources of fundings are often Government discretionary grants that are often one-time or short-term and there are other kinds of sources that simply do not provide the kind of operational funds that the colleges need to operate on.

There is mention also of an IG report. There was, in 1984, an IG audit performed of eight of our college campuses. The report listed three particular problem areas having to do with the enrollment of students who were not high school graduate students who were counted who had failed or not attained a C average or students who do not attend classes.

The Consortium takes a position on this statement that the people who prepared the report misunderstood the role of the community college, that it is basic to academic freedom, it is basic to academic practices, that the colleges do not keep attendance records such as an elementary school might.

When they came to do their report this is the kind of records they looked for. We feel that in the preparation of the budget, the Bureau must be sensitive to those kinds of principles that are important in running a higher education institution.

We are all under the standards of accrediting agencies. Every single college is striving for accreditation. Certainly if we meet those standards, why must the Bureau impose standards far above and beyond those that are imposed by the accrediting agency?

There are several provisions of the act. Public Law 98-192 which has never been in effect because our rules and regulations have not been promulgated. Mr. Chairman, this puts us in a situation where we are nearly to the expiration of our act and yet we haven't realized such things as forward funding, Indian student count which changes our basic counting method and endowment provisions which could be very important in providing operational revenue to the colleges.

We are supportive that those kinds of provisions within the act become a part of our actual practice. We still have yet to realize them.

Mr. Chairman, this concludes the testimony I have prepared on Title I. Mr. Jackson will testify on Title II.

[The statement of Ms. Windy Boy follows:]

TESTIMONY OF THE

AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

MARCH 7, 1986

TO THE
SUBCOMMITTEE FOR INTERIOR APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

PRESENTED AND PREPARED BY
Janine Pease-Windy Boy, AIHEC Treasurer

TESTIMONY OF

THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

MR. CHAIRMAN AND HONORABLE MEMBERS OF THE SUBCOMMITTEE FOR INTERIOR APPROPRIATIONS, this testimony addressed the Appropriations requests in the FY 1987 Budget presented to the Subcommittee by the President, for the Tribally Controlled Community Colleges Assistance Act of 1983, P.L. 98-192. This testimony represents the position of the member colleges of the American Indian Higher Education Consortium, and it is focussed on FY 86, 87 and 88.

The members colleges of A-I-H-E-C includes 21 tribally owned and operated colleges. Of the 21, 19 are now receiving operational grants under P.L. 95-471, Title I. One college is receiving funds under Title II.

The Title I Colleges are:

STATE OF MONTANA

Name	Tribe (s)
STATE OF MONTANA	
Blackfeet Community College	Blackfeet
Dull Knife Memorial College	Northern Cheyenne
Fort Belknap Community College	Assiniboine/ Gros Ventre
Fort Peck Community College	Sioux/ Assiniboine
Little Big Horn College	Crow
Stone Child College	Chippewa/Cree
Salish Kootenai College	Salish/Kootenai
STATE OF NORTH DAKOTA	
Fort Berthold Community College	Gros Ventre/ Mandan
Little Hoop Community College	Sioux
Standing Rock College	Sioux
Turtle Mountain Community College	Chippewa
STATE OF SOUTH DAKOTA	
Cheyenne River Community College	Sioux
Oglala Lakota College	Sioux
Sinte Gleska College	Sioux
Sisseton Wahpeton Community College	Sioux

ONE EACH IN FOUR STATES

CALIFORNIA:	
D.Q. University	Inter-tribal
NEBRASKA:	
Nebraska Indian Community College	Winnebago/ Santee
WASHINGTON:	
Lummi Indian Community College	Lummi
WISCONSIN:	
Lac Courtes Orielles Ojibway Community College	Ojibway

Title II of the Act supports one college, NAVAJO COMMUNITY COLLEGE. Today, President Dean Jackson of Navajo Community College will testify on Title II of the Act.

The Tribally Controlled Community Colleges Assistance Act of 1978 has enabled significant operational support for tribal colleges. The tribal colleges now receiving funds under the Act vary in size for 480 FTE at Oglala Lakota College to 47 FTE at Cheyenne River Community College. They vary in age from 15 years old, Sinte Gleska College, to 6 months old, Stone Child College. The colleges have evolved over the past sixteen years into comprehensive colleges, providing sophistocated education and training in many fields of study, both acadmic and vocational.

Landmark successes have been realized throuogh all the Title I Colleges:

1) MORE AMERICAN INDIAN STUDENTS THAN EVER BEFORE ARE ENROLLED IN THE TRIBALLY CONTROLLED COLLEGES. The annual growth rate has averaged 11%. In 1981, Title I college enrolled 1,689 F.T.E. while the enrollment projections for FY 1986 are 3,000 F.T.E. This overall growth represents a 78% growth in 6 years time.

2) TRIBAL COLLEGE GRADUATES COMPLETE EDUCATION. A 1980 study conducted in North Dakota found that 86% of the tribal college graduates that transfer to four year colleges complete their education. This is contrasted by a 90% dropout rate of American Indian students who start at State colleges in North Dakota. Placement of graduates in jobs or advanced educational opportunities is as high as 85%, a percentage remarkable in view of the astronomical unemployment rates in surrounding Reservation environments.

3) INCREASED HIGHER EDUCATION OPPORTUNITIES. The American Indian enrollment in tribal colleges equals and often exceeds the American Indian enrollment in state colleges, particularly in the states of Montana, North Dakota and South Dakota. For example, in Montana, the FTE in state colleges for Fall 85 was 690 FTE, while the tribal colleges in Montana enrolled 774 FTE for the

same quarter.

4) ACCREDITATION PROGRESS MARKS QUALITY OF SERVICE. Recognition of quality in educational services has come to the tribal colleges and is demonstrated by the achievements in the accreditation process through regional accrediting agencies:

Title I Colleges with Full Accreditation

College	Region
Blackfeet Community College-1985	Northwest
D.Q. University-1982	Western
Oglala Lakota College-1983	North Central
Salish Kootenai College-1984	Northwest
Sinte Gleska College-1983	North Central
Standing Rock College-1984	North Central
Turtle Mountain Community College	North Central

Title I Colleges with Candidate for Accreditation

College	Region
Dull Knife Memorial College	Northwest
Fort Berthold Community College	North Central
Little Big Horn College	Northwest
Little Hoop Community College	North Central
Nebraska Indian Community College	North Central
Sisseton Wahpeton Community College	North Central

The remaining colleges are striving to meet the standards for Candidacy in their respective regions.

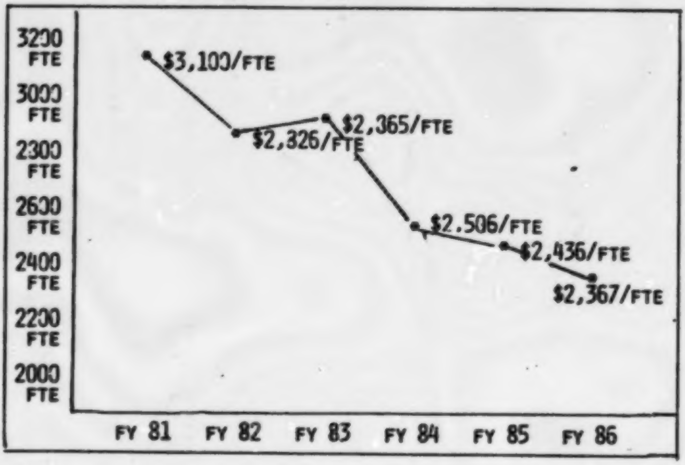
These achievements are a clear measure of peer evaluation from the higher education community in the United States. These achievements are earned through long-term dedication and commitment.

The tribal colleges have been chartered by the tribal governments, to develop the most precious of all our American Indian owned resources, our people. Mr.Chairman, these successes accomplished by the tribal colleges are exemplary in Indian Country, for they have been realized in the face of conditions which are adverse, and pose great challenge.

Along with the list of successes, a series of challenges face the tribal colleges. The critical issues for the immediate and long range future are a concern among the members of the Consortium:

1) APPROPRIATIONS LEVELS CONTINUE TO ERODE: The support per full-time equivalency has taken a drastic drop since 1981. The following chart illustrates this erosion.

CHART OF FTE SUPPORT, 1981-86
TITLE I COLLEGES

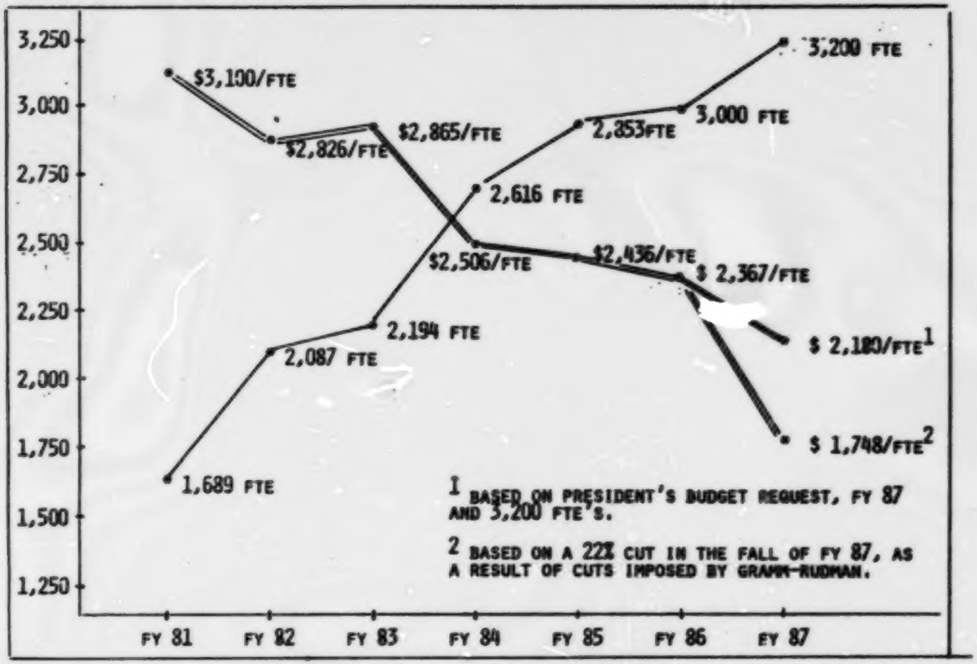


The 1982 median student support in public community and junior colleges, from the National Association of Colleges and University Business Officers was $3,400/FTE. This fiscal year, the per student support for Title I colleges is $ 2,367/FTE, considerably below this national figure.

2) COSTS HAVE RISEN: The colleges have experienced escalating costs in operations. Costs for heating fuels and electricity, library books and education supplies and faculty and staff have all increased in cost. These increase have placed a cumulative pressure on the college budgets, causing many colleges to close for the summer as well as reduce salary levels far below even local school district minimum salary levels.

3) DECLINE IN DOLLARS/INCREASED ENROLLMENTS: The erosion of operational dollars coupled with steadily increasing enrollment has pushed the colleges past a dangerous threshold, beyond which significant losses in quality are inevitable. While the total dollar appropriations levels have slightly increased, the enrollment increases have out-distanced any gains from the increases. On the following page, there is a chart of these two dynamics, showing the contrast of these two figures.

CHART OF TITLE I TRIBALLY CONTROLLED COLLEGES FUNDING & ENROLLMENT 81-87



1 BASED ON PRESIDENT'S BUDGET REQUEST, FY 87 AND 3,200 FTE'S.

2 BASED ON A 22% CUT IN THE FALL OF FY 87, AS A RESULT OF CUTS IMPOSED BY GRAMM-RUDMAN.

DOUBLE LINE: DOLLARS PER FTE   SINGLE LINE: NUMBER OF FTE'S

The operational dollar from the Act cannot be stretched any further, neither through thrift nor by creativity. While it appears that appropriations for tribal colleges have increased, the truest measure of appropriation growth is in FTE allocation or student support.

MR. CHAIRMAN, THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM DOES NOT SUPPORT THE BUREAU OF INDIAN AFFAIRS FY 87 BUDGET REQUESTS. THE CONSORTIUM RESPECTFULLY SUBMITS APPROPRIATIONS REQUESTS FOR FY 1986, 1987 and 1988.

FISCAL YEAR 1986

RESTORATION OF ADD-ON FOR TITLE I COLLEGES.	$ 500,000.00

Actual amount appropriated for TI	$ 7,450,000.00
Current appropriations for Title I with 4.3% Gramm-Rudman cuts.	6,950,000.00

This funding level for Title I Colleges is inadequate. The FTE support will be at the lowest point in the history of the Act, at $2,367/FTE based on Consortium enrollment projections of 3,000 FTE.

BIA Anticipated Enrollment, FY 86	2,549 FTE
Actual Fall 85 Enrollment	2,850 FTE
AIHEC Projected Enrollment	3,000 FTE
Difference BIA and Actual	241 FTE
Difference BIA and Projected Enrollment.	451 FTE

FISCAL YEAR 1987

TITLE I COLLEGES	$ 9,600,000.00

Amount needed for $3,000/FTE for a projected enrollment of 3,200 FTE. The projection is based on the average annual growth rate of 11%.

Data compared with BIA Data:

AIHEC REQUEST	9,600,000.00
BIA REQUEST	6,950,000.00

AIHEC Enrollment Projection	3,200 FTE
BIA Enrollment Projection	2,742 FTE
Difference	458 FTE

AIHEC Student Support Level------	$ 3,000/FTE
BIA Student Support Level-------	$ 2,180/FTE
Difference	820/FTE
AIHEC Growth Rate---------------	11%
BIA Growth Rate-----------------	- 6%

TITLE I CONSTRUCTION...................... 250,000.00

Amount needed to complete GSA Study of College facilities to determine construction needs.

TITLE I TECHNICAL ASSISTANCE 240,000.00

Amount needed to provide $75/FTE for TA
3,200 FTE x $75/FTE = $ 240,000.00.

TITLE III ENDOWMENTS.................... 1,500,000.00

Amount needed to total the matching estimates from tribal colleges for FY 1987.

TOTAL REQUEST.......................$12,635,500.00

SPECIFIC POINTS IN THE BUDGET LANGUAGE, BIA BUDGET FOR FY 1987

On page 62, of the Budget, the Collegespoint out that the grants under 98-192 are not "seed money". From the Act itself, it states:

> Grants under this authority are to defray expenditures for academic, education and administrative purposes and for the operation and maintenance of all Tribally Controlled Colleges.

These two points are in direct conflict, as operational funds are clearly not seed money. Operation and maintenance revenue is for the overall expenses regular to an institution of higher education, supporting acadmic, educational and administataive purposes. Seed money implies a one time only or short term grant. From review of the language from Committee hearings and in review of the language directly from the law, the Consortium finds no reference to "seed" money.

On page 62, there is a reference to "money, revenue sources". The Consortium notes that the BIA has consistently typified the "total" College revenue as "operational" revenue. The Colleges financial picture includes the following factors:

1) The grants and contracts vary in purposes and are seldom for the operational support of the Colleges.
2) Additional grants and contracts from Federal sources are for very specific purposes, and are generally one to three years in duration, and as such cannot be used in anticipated revenue for operations.
3) Grants for financial aid are often included in raw totals of revenue, showing the whole totals received by the Colleges, without taking into account the fact that 70% of the Pell Grant funds are paid out directly to the students for their costs. Of the payments to students, the costs of education include tuition, fees, books, board and room, personal costs and transportation. Only a small portion of the Pell Grant is returned to the College as actual revenue.
4) The discretionary nature of Federal grants and contracts makes these revenue dollars difficult to depend on for planning Tribal College budgets. The restricted nature of these granting authorities limit the contribution to overall operating revenue to the percentage of indirect costs, if any.

The decision to fund the tribal colleges at a certain level is highly dependent on sound enrollment projection data submitted to the Subcommittee. An evaluation of the Bureau's reporting data will show that the variations in data cast a critical doubt on figures chosen. These are listed in the testimony respective to the fiscal year requests made by the Consortium.

The BIA budget request language refers to the I. G. Report of 1984. In regard to this reference on page 65, the report indicates that the college's have experienced:

1) Students enrolled in TCCC's who are not high school graduates.
2) Some students are counted for funding even though they failed to complete credits during the preceding year or earned less than a "C" average.
3) Students don't attend classes.

The Consortium position on these statements are that the Report shows a total lack of understanding of an institution of higher education. Instructors rarely take attendance on a daily basis. If a student consistently misses class he/she will be noticed and final grades will determine their future status. All of the Consortium institutions have academic standards. If they did not, they could not satisfy the standards imposed by accrediting agencies. A loss of accreditation or the failure to attain it, will in time doom the school to failure and the subsequent loss of tribal college funding.

Mr. YATES. You don't have much time, Mr. Jackson.

Mr. JACKSON. Mine will be brief.

Thank you, Mr. Chairman. My name is Dean Jackson. I have with me Mr. Thomas Todocheeney, Sr., who is also a Board of Regents member on the Navajo Community College. I fully support what Mrs. Janine Windy Boy has said in terms of the whole Public Law 98-192. However, I have a couple of notes I would like to pass on to the committee.

Mr. YATES. All right.

Mr. JACKSON. Since 1980 to 1987, when the full cuts have been implemented, Navajo Community College will receive over 80 percent cut. Mr. Chairman, we don't mind being cut back.

Mr. YATES. Eighty percent is a lot, isn't it?

Mr. JACKSON. Eighty percent is a lot. The testimony that I have submitted will take into account three considerations. Of course, we want to have the Public Law 98-192 rules and regulations development implemented in which Navajo Community Colleges will be put on needs basis.

I don't know how the BIA submits or develops budget for Navajo Community College but we are held on FTE. In that new law, we are talking about Indian students count. We are talking about separate line items for maintenance and operations cost, the same level as BIA which is $3.23 per square foot.

We are also asking for a separate line item for major repairs and renovation.

We have about a $30 million facility at Navajo Community Colleges which is fast deterioration.

Thank you very much.

Mr. YATES. Thank you, Mr. Jackson. Appreciate it.

[The statement of Mr. Jackson follows:]

NAVAJO COMMUNITY COLLEGE

Budget Cut of 80% From 1980 - 1987

A Statement By
Navajo Community College
To
The House Sub-Committee on Appropriation
Interior and Related Agencies

In this statement we wish to address the basics - by this we are talking about basic survival for Navajo Community College. During this period of national fiscal belt-tightening we do not ask to be exempted from budget cuts that affect almost everyone across the Nation. What we ask is that we receive the funding to which we are legally entitled under Public Law 98-192. We ask that our needs be assessed by the same standards as those of other educational institutions receiving federal funds such as Bureau of Indian Affairs schools. We ask for funding to maintain the integrity of Navajo Community College.

BACKGROUND

Navajo Community College was established in 1969. It is the oldest and largest tribally controlled community college in the United States.

Facilities that exist at the Tsaile campus were funded by Public Law 92-189 (Navajo Community College Act). Public Law 92-189 provided funding for Navajo Community College on a needs basis. This provided the College a period of growth and development during which Phase I of the existing building plan was completed and a full complement of educational programs were set up. Today, the buildings, funded by various federal sources, are valued at close to $30 million.

In 1978 Public Law 92-189 was amended by Public Law 95-471. Funding for all tribally controlled community colleges, including Navajo Community College, was calculated using the Full Time Equivalency formula (FTE) whereby full-time Indian students carrying 12 credit hours or more per semester are counted as one (1) FTE. Part time student count is calculated by adding up the total semester credit hours of all part-time students and dividing by

12. This figure is added to the full-time student figure and then divided by 2 to arrive at the annual FTE count. As a result of our funding being based upon the FTE formula, Navajo Community College funding dropped from $6.4 million to $3.1 million in 1980.

Recognizing the drastic impact of this formula, Congress amended Public Law 95-471 in 1980 with Public Law 96-374 which legally put Navajo Community College back on a needs basis. However, in order for this legislation to be implemented, the Bureau of Indian Affairs (BIA) needed to develop the rules and regulations, which was not done.

In 1983 Public Law 98-192 reauthorized Public Law 95-471. This legislation reaffirmed Public Law 96-374. Once again, the Bureau of Indian Affairs failed to develop the necessary rules and regulations and now the entire act is ready to expire without being implemented.

In January of 1985 the Office of Indian Education sent a team to Navajo Community College to conduct an evaluation to determine the level of funding required for Navajo Community College on a needs basis. After a year and two months, the 1985 study is still in draft form!

A follow-up study was made in December of 1985 which concentrated only on facility needs. This study upheld and reconfirmed all recommendations made on the facility needs of Navajo Community College in the original study.

Today, six years after passage of the Public Law 96-374 which reverted Navajo Community College funding back to needs basis, we are still funded by the FTE formula contained in the expired legislation (Public Law 95-471).

Through various efforts in the years since 1980, our overall federal funding has been increased back to $3.8 million from $3.1 million, but this still represents a 50% cut from the level of funding we received prior to 1980.

We believe the Bureau of Indian Affairs people do not realize the drastic effects of this cut. For the past six years we have been struggling to deliver quality educational services and at the same time meet huge maintenance costs with inadequate funding.

As a result of the 1985 Bureau of Indian Affairs Study, we request partial funding on needs basis and partial on a formula as follows:

A. Formula Funding - Indian Student Count (ISC)

Firstly, we urge that Navajo Community College be allowed to utilize the Indian Student Count as a part of its funding formula. We believe that some count must be maintained which measures student as well as institutional growth. Indian Student Count is more accurate and appropriate because it provides for funding beyond the 12 credit hours that FTE formula doesn't provide.

The FTE ignores all credit hours taken by Indian students above a maximum of 12. A semester by semester breakdown of student credit hours for the past two years shows that this formula is restrictive and self defeating. Complete analysis shows that FTE formula funding has cost Navajo Community College between $300,000 and $500,000 per semester for credit hours beyond the 12 credit hours criteria. Had our funding been based on ISC contained in the current formula required by Public Law 98-192, Navajo Community College could meet many of its instructional costs (Exhibit A).

In addition, the ISC formula, unlike the FTE, includes a count of credit hours earned during summer school. Because of the huge population we serve, there is a great need for a summer school program.

Being restricted to the FTE formula has created serious financial hardships for Navajo Community College. Because we are funded at a much lower level, the main campus at Tsaile is unable to support itself. In addition, this low level of funding contributes to many instabilities such as the high turnover among our instructional staff and a poor image of the College's overall quality. A comparison between public school teachers on the Navajo Reservation with bachelors degrees and Navajo Community College instructors who are required to have masters degrees shows the following disparity in starting salaries.

Navajo Community College Instructors with M.A.	$14,000
Public School Teacher with a B.A.	$16,000

Finally, this continuing dearth of resources keeps us from meeting demands for postsecondary education made by the Navajo Nation. The Tribal Council has named Navajo Community College the official entity to coordinate all postsecondary education and training for the Navajo Nation. The demands for services from tribal departments and agencies are steadily increasing. Yet, because of our funding situation, we can't meet many of these demands.

B. Needs Basis

Secondly, the Bureau of Indian Affairs appropriates the sum of $3.23 per square foot for maintenance and operation at their BIA schools. According to the December, 1985, Follow-Up Study by the Office of Education, our per square foot appropriation for maintenance and Operations on the Tsaile campus was $2 per square foot less than the BIA appropriation. Applying this formula to the 434,500 square feet of faciltiy space at Tsaile, we find that we are being allocated a bare $1.23 per square foot!

The result of this misallocation is: Tsaile campus is short 30 maintenance people, Tsaile campus has inadequate maintenance equipment, Tsaile campus has only minimal maintenance services (even emergency jobs must be put on a waiting list), and Tsaile campus has no prevention maintenance whatsoever.

Several different problems exist at the Shiprock, New Mexico, campus: Prior to this fiscal year, agreements on providing janitorial service in the main building and payment for utilities was maintained through use permits between Navajo Community College and the Bureau of Indian Affairs. Recently, the BIA solicitor ruled that use permits are illegal because "funds received under a public law require there be a contract in the annual appropriation." Accordingly, we requested that the BIA people in Gallup, New Mexico, draw up a contract for us, which was then sent to Washington, D.C. Since September, 1985, we haven't had any feedback about this contract. Meanwhile, the BIA has ceased to provide janitorial services to the main Shiprock building. As a consequence, Shiprock campus has had to take monies out of its instructional budget (a total of $65,758 for fiscal year 1986) to cover janitorial services to the main building. This money provides for only three people plus supplies to maintain over 129,448 square feet.

More seriously, since 1980 Navajo Community College has asked the BIA to survey and make necessary repairs to the main Shiprock campus facility so that it can be transferred to the Navajo Tribe. Bureau of Indian Affairs has made extensive study of this facility prior to the occupancy of the facility by Navajo Community College. The studies show a need for millions of dollars for major repairs. Navajo Community College has, at its own expense, had architectural and engineering surveys made which show that $3.5 million in renovations is necessary before the structure can be considered adequate to meet the educational needs of Navajo Community College at the Shiprock campus.

We ask that we receive the BIA minimum of $3.23 per square foot, considered adequate for facility maintenance for both the Tsaile and Shiprock campuses (the Shiprock campus has never received any maintenance and operation funds for the main building), and that the

BIA be requested to ask the administration for general services to begin the survey of Shiprock campus.

C. Major Repairs And Renovations

The North Central Accreditation evaluation team and the BIA evaluation team both found the Tsaile facility in a state of advanced deterioration and stated that emergency renovations were needed. Dr. Eugene Leitka of the Albuquerque BIA Education Office, who made the December 1985 Follow-Up Study on facility needs, verified the earlier studies. Three independent architectural studies show that a number of problems need to be addressed immediately. Namely:

The Administration building, gymnasium, some dormitories and faculty housing all need new roofs. They are 14 years old and badly deteriorated. Major cracks have been found in the walls and floors of the cafeteria, student union and classroom building due to unusually absorbent and expansive soil conditions. Both problems need to be remedied immediately. A comprehensive site drainage system needs to be implemented, and the College water system is still without filtration equipment which causes calcification of pipes and early failure of boilers and appliances (see Exhibit B). We ask for a special allocation of $2 million at $500,000 per year for the next four years to make these emergency renovations.

CONCLUSION

We propose and request that the BIA begin developing regulations to enable Navajo Community College to receive funding based on needs under Public Law 98-192. We also request that ISC formula be used as a portion of the funding rather than the FTE formula.

If the budget cuts in the Gramm-Rudman-Hollings Bill are put into effect without any ameliorating measures, Navajo Community College will receive a 5% across-the-board budget cut this year and a 25% cut in 1987. Added to the cut of 50% which the College took in 1980 when we were put on FTE based funding, our budget cuts over a seven-year period will total 80%.

We request that per square foot maintenance and operations funding for both Shiprock and Tsaile campuses be fixed at $3.23 per square foot. In our next fiscal year budget we plan to request $1,821,525 for maintenance of $434,500 square foot at the Tsaile campus and a $418,100 to cover maintenance for an additional $129,448 square feet at the Shiprock campus.

Further, we request that we be given a total of $2 million over a four-year period to be allocated in $500,000 increments to make the necessary emeregency renovations to the Tsaile campus.

The dream of a college operated by the Navajo people was born out of the needs of generations of Navajo youngsters who left the reservation for institutions of higher education, only to come home failed and confused, defeated by institutions insensitive to their needs. Navajo Community College was created to answer those needs. What we ask is nothing less than that you allow Navajo Community College to continue.

EXHIBIT A

Enrollment Based Funding Lost Due to Use Of FTE Formula

Semester	Total Credit Hours	Lost Credit Hours	Lost Funds
Spring 1984	1,237	103	$ 412,000
Fall 1985	928	77	308,000
Spring 1985	1,430	120	480,000
Fall 1985	965	80	320,000
Spring 1986	1,624	135	540,000
		Total funds lost to FTE	$2,060,000

Total Credit Hours

Represents total Indian student credit hours as counted under ISC formula.

Lost Credit Hours

Represents Indian student credit hours not counted under FTE formula.

Lost Funds

Represents enrollment based funding but due to use of FTE formula.

EXHIBIT B

Cost Estimates
Tsaile Campus Facility Improvements

Cultural Center	$ 411,800
Cafeteria	250,000
Classroom Building	233,200
Gymnasium	155,430
Student Union Building	540,000
Special Classroom Building	40,750
Library	20,250
Faculty Housing	320,000
TOTAL -	$2,037,930

From an architectural survey prepared for Navajo Community College in 1934 by Albuquerque Architect Leon W. Shirley, A.I.A.

THURSDAY, MARCH 6, 1986.

VOCATIONAL EDUCATION

WITNESSES

LEO O'NEAL, CROWNPOINT INSTITUTE OF TECHNOLOGY
ARLINDA COOK
ROSE ROBINSON
GEORGIANNA TIGER

Mr. YATES. Mr. O'Neal, Crownpoint Institute.

You are Ms. Cook?

Ms. COOK. I am Ms. Cook.

Mr. YATES. This is your statement. It is part of the record.

Ms. COOK. Good morning, Mr. Chairman.

My name is Arlinda Cook. I am 21 years old and I am a 1985 alumna of the Crown Point Institute of Technology. I studied secretarial skills and accounting. I was in this program for 48 weeks at 36 hours per week. This is as much hours in the classroom as some colleges spread over four years to give a college degree.

As soon as I graduated, I chose a job here in Washington, D.C. where I do receptionist, secretarial and bookkeeping work for a 75-year old private foundation. I know my job holds career advancement opportunities for me because I know I am proficient in my job skills—the skills I learned at the Crownpoint Institute of Technology. I earn a good salary and I am a taxpayer—15 percent of my paycheck goes to taxes.

There are 200 other CIT graduates like me who enter the job market each year, pay taxes and can look forward to career advancement opportunities because they have real job skills. Some of the building and trade graduates earn $16 an hour—that is a lot of state and Federal taxes they contribute on $16 an hour.

I know that this honorable Congress will decide whether my alma mater—the Crownpoint Institute of Technology—continues or not. The Crownpoint Institute of Technology has to rely on Federal funding to operate. I hope you will allow CIT the money it needs to continue.

When you consider that if these 200 students who come through the Institute each year and their families—about one-fourth have families to support—would probably otherwise not have jobs—not just be jobless for one year, but probably not have jobs year after year.

When you think about that, then it seems like a small amount to ask for the Crownpoint Institute of Technology to be funded like other vocational schools serving Indians. To put it in what I understand are economic terms: 200 skilled CIT graduates entering the job market every year at average yearly starting salaries of $12,539 a year—that is a large return on the dollar for a small investment over time.

And you can't even begin to measure the value of the pride and self-esteem of knowing you have valuable job skills for life.

Thank you, Mr. Chairman.

Mr. YATES. Thank you. Are there other statements?

Ms. ROBINSON. Yes. Very briefly.

I am Rose Robinson. I am a member of the Hopi Tribe of Arizona and I am a vice president for the fund which is a 75 year old private fund. I am the proud employer of Ms. Arlinda Cook who came to us from the Crown Point Institute of Technology.

I have been working with an American family with the Crown Point Institute and I am very pleased to be able to testify in behalf of their curriculum and their students. As you can see, Arlinda is very much a good alumna and we expect a great deal from her. I hire Crown Point alumnae because I did go out there and visit the Institution, and I talked to and interviewed a number of people. I am a member of the Hopi Tribe, which is right near them.

I very much hope that our own tribal people will one day be able to go to the Crown Point Institute since it is an Institution that is very close to them. I know that my own tribe wishes to get into vocational training, but as a person who helps Indians try to make the best of their resources, I think it would be much more cost effective to enable the Crown Point Institute to also serve our people in that capacity.

I know there is a waiting list of students for Crown Point because the quality of its educational offerings has become well established in the southwest. I know that the diminishing Federal dollars have created uncertainty about its future. I am anxious to see it be able to afford more students.

It is one of three vocational technical schools in the country that serve American Indians and I think that I can see no reason for Crown Point's exclusion from categorical adult vocational training funding and I hope it will be seriously considered for inclusion in the fiscal year 1987 budget.

Thank you.

[The statement of Ms. Robinson follows:]

Phelps Stokes Fund
[illegible]
1911-1986

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1228 M Street, N.W
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[illegible]

TESTIMONY BEFORE THE HONORABLE
SIDNEY YATES, CHAIRMAN

SUBCOMMITTEE ON APPROPRIATIONS FOR INTERIOR
AND INSULAR AFFAIRS AND RELATED AGENCIES

PRESENTED BY MS. ROSE ROBINSON
VICE PRESIDENT AND DIRECTOR
AMERICAN INDIAN PROGRAM
PHELPS STOKES FUND
WASHINGTON, D.C.

March 6, 1986

My name is Rose Robinson. I am member of the Hopi Tribe of Arizona and am a vice president with the Phelps Stokes Fund, a 75-year old private sector organization, and director of its American Indian Program.

I am well aware of the mounting emphasis for Indians to aspire to private sector involvement, to lessen their dependence on federal subsistence programs. It is in my capacity as a private sector employer that I testify on behalf of the Crownpoint Institute of Technology (CIT).

I hired a CIT alumna nearly a year ago and have not been disappointed. I have visited the Insitute and interviewed other graduates. I commend the institution for its outstanding programs, all of which have high retention and placement rates in private sector employment.

I know there is a waiting list of Indian students wishing to

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-2-

attend CIT because its reputation for quality vocational training is becoming well established in the Southwest. I also know that diminishing federal dollars have created uncertainty about its future.

I am anxious to see it be able to afford to accept members of my own tribe as well as of other tribes in the Southwest that it wants to serve.

The Crownpoint Institute of Technology, one of only three vocational-technical institutions in the United States serving the needs of Indians in this field, has proven itself as a valuable, cost-effective route to individual Indian self-sufficiency. I can see no reason to exclude it from categorical Adult Vocational Training funding and hope that it will be seriously considered for inclusion in the FY 1987 federal budget.

Thank you.

Ms. **Tiger**. Very briefly in summation, the Crown Point Institute, as you know, was the Navajo School Center up until last year with the official name change which reflects the expanded course offerings and the more technological nature of those course offerings.

I would like to point out that there is coming to that region the New Mexico generating station, the paragon ranch which is a joint venture between Bechtell, Combustion Engineering and G.E. It will be a $5 billion project over the next five years and employing as many as 4,000 people per year at one time in construction phases.

Construction trade skills are among the course organization at Crown Point and our written statement goes into the economic projections of what this can do for Indian people earning their own way in that area.

I would like to point out to you the Crown Point Institute has a very outstanding curriculum. One of their model projects this year, I would like to just point out, is the public high school in that area has the highest drop-out rate in the State of New Mexico.

Mr. **Yates**. What area are we talking about? Supai and Albuquerque?

Ms. **Tiger**. Supai is two-and-a-half hours northwest of Albuquerque. Crown Point, New Mexico. It is near the Arizona border.

Mr. **Yates**. We have got Albuquerque and Crown Point, two-and-a-half hours away?

Ms. **Tiger**. Crown Point and Supai are very close together. They have waiting lists. They do not serve a duplicative enrollment of students.

Mr. **Yates**. Have you been getting money at Crown Point?

Ms. **Tiger**. The primary source of money is the JTPA tuition, however, it does not provide for operation and maintenance. Crown Point did receive a line item through the ABT program in this current fiscal year 1986 for the construction of a library which was the only thing that was keeping us from getting full accreditation with North Center Accreditation Association, and the State of New Mexico.

The Crown Point Institute is chartered by the Navajo Tribe. I very briefly want to finish pointing out that the Crown Point Institute took on an additional program to assist in this 20 percent drop-out rate for the Indian high school students in that area. All 20 percent of those children, young adults, are back in school completing their high school.

So it is primarily because of the unique curriculum that they have that is an adaptation of the instrument enrichment that was adopted from Children of the Holocaust, and they have found this to be a very effective way to bring children of that young age, adolescent age, up to par with learning skills.

So we want you to be aware of the very worthy program out there and the fact that they have no other source of funding for operation and maintenance.

Mr. **Yates**. Thank you very much.

[The statement of Ms. Tiger follows:]

Georgianna Tiger

CROWNPOINT INSTITUTE OF TECHNOLOGY
P.O. Drawer K, Crownpoint, NM 87313
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TESTIMONY BEFORE THE HONORABLE
SIDNEY YATES, CHAIRMAN

SUBCOMMITTEE ON APPROPRIATIONS FOR INTERIOR
AND INSULAR AFFAIRS AND RELATED AGENCIES

PRESENTED BY THE
CROWNPOINT INSTITUTE OF TECHNOLOGY
CROWNPOINT, NEW MEXICO

March 6, 1986

The Navajo Skill Center officially became The Crownpoint Institute of Technology in 1985.

This institutional name change reflects the expanding technological number and level of course offerings, progress toward full accreditation and the growing service population.

C.I.T. is a modern $14 million physical facility constructed in 1979 by the Federal Government's Economic Development Administration.

C.I.T. is chartered by the Navajo Tribe, as well as licensed by the State of New Mexico. C.I.T. has accreditation candidacy with the North Central Association of Colleges and Schools, and expects Full Accreditation pending completion of the library.

The Crownpoint Institute of Technology's course offerings are:

Managerial Accounting: Covers the basic concepts of financial accounting, preparation of financial statements and examination of assets and liabilities.

Secretarial Science (Medical Records Clerk, Optional): Areas covered include: Receptionist, Clerk, Clerk-Typist with an option of Secretary or Medical Records Clerk.

Food Preparation/Management: Training includes menu preparation, knowledge of food products, cooking methods and techniques, nutrition, inventory and cost accounting.

Baking/Pastry: Instruction in preparing most bakery products, specialty baking items and cake decoration.

Carpentry: Prepares students for jobs currently existing in the trade with emphasis in framing, foundation, exterior finish, insulation and interior finish.

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Masonary: Training includes experiences in site layout, concrete forming/pouring/finishing, block and brick laying, plastering, casting sills, and lintels.

Residential, Commercial Plumbing/Pipe Fitting: Experiences include many phases of systems rough-in, hook-ups for residentail systems, fixture and appliance installation and systems maintenance and repair.

Construction/Maintenance Electrician: Training consists of work performed in the areas of residential, commercial and industrial electrical installation. The National Electrical Code is also covered.

Surveying Aide: Provides job skills in areas of highway, construction and land surveying.

Heavy Equipment Mechanics: Emphasis is in the areas of maintenance, operation overhaul, fuel and electrical system, and hydraulics on variety of diesel and gas-powered equipment.

C.I.T. accepts only high school graduates, although it is almost always necessary to conduct remedial math and reading in order for these students to be ready to compete effectively in the program. 95% of these students speak English as a second language. All C.I.T. students are from rurally isolated and economically disadvantaged backgrounds. The C.I.T. has an 89% retention rate, and a 65% placement rate of its alumnae, nearly 100% of whom go into private sector employment.

Critically, new industry is coming to the region. The New Mexico Generating Station, is a joint venture among Bechtel Power Corporation, Combustion Engineering, In., General Electric Company, of New Mexico to construct and opearte on coal powered electrical generating Plant on Eastern Navajo 12 miles from Chaco Canyon. The project plan is in the final stages with construction to begin in April, 1987. Plant Operation is scheduled for as soon as 1992. The five year, five billion dollar construction phase4 will employ as many as 4,000 people at one time. The majority of these positions will be skilled, semi-skilled and blue collar. The operating phase will employ a permanent labor force at the plant and associated coal mine of approximately 2,000. Again the majority of positions will be skilled, semi-skilled and blue collar. In addition, an entirely new town with a population of over 10,000 will grow with the plant to provide housing and services to the construction employees and the permanent plant employees.

The site of the generating plant is approximately 40 miles from Crownpoint, N.M. The Crownpoint Institute of Technology is the Navajo Tribal vocational training institution in close proximity to the plant.

The C.I.T. respectfully requests continued designation as a separate line item under U.S. Department of Interior, Bureau of Indian Affairs, Economic Development and Employment Programs, Adult Vocational Training in the amount of $1 million to sustain the Institution and stabilize its offerings.

THURSDAY, MARCH 6, 1986.

VOCATIONAL EDUCATION

OUTSIDE WITNESSES

RUSSELL HAWKINS, UNITED TRIBES EDUCATIONAL TECHNICAL CENTER
DAVID GIPP, UNITED TRIBES EDUCATIONAL TECHNICAL CENTER

Mr. YATES. Mr. Hawkins and Mr. Gipp.

Mr. HAWKINS. Good morning, Mr. Chairman. I want to thank you for this opportunity to appear before the committee. My name is Russell Hawkins, Chairman of the Board of Directors. I am also chairman of the Sisseton-Wahpeton Sioux Tribe.

To my left is Felix Renville, Jr., a member of Sisseton-Wahpeton Sioux Tribe, and a board member of United Tribes.

United Tribes is requesting approximately $2.1 million appropriation for fiscal year 1987. This amount will provide direct cost in contracts services. United Tribes is a unique intertribal vocational, technical school.

It is located on a 105 acre campus in Bismark, North Dakota. It is a non-profit organization owned and operated by five tribal reservations in the State of North Dakota. These five tribe are the three affiliated tribes for the Berthold, Devil's Lake Sioux Tribe, the Sisseton-Wahpeton Sioux Tribe, the Standing Rock Sioux Tribe and the Turtle Mountain Band of Chippewas.

Control of the corporation is vested in a ten member board of directors made up of the tribal chairman and one member from each council originally established in 1969.

UTETC is the oldest vocational school in the Nation. UTETC's philosophy in education is to provide an environment where the students and the staff can preserve and transmit the knowledge and values to the survival of Indian people. United Tribe Center is the only Indian or tribally controlled post-secondary technical institution specifically designed to deal with the tribal family as a whole rather than individuals.

The family support we feel is not only unique, but very essential for the success of the individuals attending the school. The enrollment in UTETC from 1979 to present has annually averaged 250 students.

They come from 39 tribes and 13 different states. The services offered by UTETC are similar to that of other institutes of high learning. They include adult education, vocational programs, cultural activity, counselling, support services.

In addition to these services, other services relevant to the family center philosophy are also implemented. United Tribes exists as a family community. It is designed to serve Indian people who are not served adequately or not served at all by the more traditional programs.

The Center represents the first tangible and realistic opportunity for successful vocational training and subsequent employment for most of its students. United Tribes was accredited at the time by the North Central Association of Colleges and Schools at the certificate granting level.

The North Central completed its reevaluation of the Center's ten programs in 1985 and granted full continuing accreditation through 1990.

One area of special concern is the reduction in appropriations throughout the years. We have goods and services that are on an increase including a 57 percent increase in gas units per home as well as a 58 percent increase for electricity and with the increasing costs and the decreasing budget, of course, there have to be cuts made, compromises made.

One of the areas right now where the belt tightening is occurring is with the staff. The staff has been cut back. They are working greater case loads and we are concerned that with a reduced budget, increased cost of services that we are getting down to a point where the education we are giving may be marginal at best, and what we want to do is to ensure the adequate funding so we can operate in a very meaningful and successful way.

One last item outside of the contract support and the program funding is the streets. The streets are deteriorated on the Center, and approximately a year or two ago we had an independent engineering firm come in and give us an estimate of repair and that was $700,000.

Historically, the Center has a placement rate of graduates at 85 percent. The graduation rate at 85 percent, the individuals, many go on to college, many start their own businesses so we do feel it is a very successful institution.

In conclusion, the $2.1 million request represents a direct cost of $1.14 million and a support contract services of $650,000. With that, I would like to thank you for the time and opportunity to make our presentation.

[The statement of Mr. Hawkins follows:]

TESTIMONY SUBMITTED TO
HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR & RELATED AGENCIES

by

RUSSELL HAWKINS, CHAIRMAN OF THE BOARD OF DIRECTORS
DAVID M. GIPP, PRESIDENT

UNITED TRIBES EDUCATIONAL TECHNICAL CENTER
3315 SOUTH AIRPORT ROAD
BISMARCK, NORTH DAKOTA 58501

MARCH 6, 1986

United Tribes Educational Technical Center is requesting a $2,100,000 appropriation for Fiscal Year 1987. This amount will provide the direct cost and contract support funds for the Center operations.

HISTORY

The United Tribes Educational Technical Center is a unique inter-tribal vocational/technical school. Located on a 105 acre campus three miles south of Bismarck, North Dakota, the institution is a state chartered non-profit corporation owned and operated by the five reservations located in whole or in part in North Dakota. These reservations include the Three Affiliated Tribes of Fort Berthold, the Devils Lake Sioux, the Sisseton-Wahpeton Sioux, the Standing Rock Sioux, and the Turtle Mountain Chippewa. Control of the corporation is vested in a ten member Board of Directors comprised of the Tribal Chairman and one other member of each Tribal Council.

Originally established in 1969, UTETC has been in continuous operation for nearly seventeen (17) years. As the first tribally controlled residential vocational school in the nation, UTETC is committed to the economic, social and cultural advancement of Indian people. It is UTETC's philosophy to provide an environment where students and staff can preserve and transmit their knowledge, values and wisdom to ensure the survival of Indian people, now and in the future, while increasing opportunities to improve the quality of life. The Center seeks to initiate and sustain educational and economic programs aimed at the self-sufficiency and realization of self-determination of American Indians.

The United Tribes Educational Technical Center is the only Indian or tribally controlled postsecondary technical institution specifically designed to meet the needs of the Indian family. This is evidenced by a waiting list that consistently numbers over 200 students each quarter.

CLIENTELE

The enrollment of United Tribes from 1979 to the present has annually averaged 250 students from as many as 39 different Tribes and 13 states. A majority of the students have never spent more than one year away from the reservation and have histories of chronic unemployment due to an extremely depressed local economy and educational deficiencies which are well below the national average.

Almost all students who attend UTETC are from economically disadvantaged backgrounds. Approximately 67% of the 1986 student body received public assistance payments such as Aid to Families with Dependent Children or General Assistance in the year prior to attending school. This percentage does not include those who may not have received direct payments, but who were recipients of programs such as food stamps, subsidized housing or energy assistance.

As a general rule, the UTETC students manifest educational difficulties well below the national averages. The Adult Test of Basic Education scores for incoming students clearly illustrates the educational deficiencies. Eighty five percent of incoming students score at the eighth grade level or below in math, while 55% score eighth or below in English and reading.

The philosophy of United Tribes is that the Indian family is the key to any success, now and in the future. Accordingly, while the Center serves single students, it continues to emphasize and direct its services towards married couples and single parent families. The dependent children of students increases the average on center population to approximately 400 individuals. Excluding single students, the average family unit on campus is currently 3.25 individuals. It should be noted that family size varies from two people to families of eight or nine.

SERVICES

United Tribes Educational Technical Center provides those institutional activities which are fundamental to the delivery of vocational education. These include:

*a core of vocational programs which have been ongoing and updated throughout some sixteen years;

*supplies and equipment for vocations;

*adult education for students needing basic skill development or who wish to enter vocations requiring GEDs or high school diplomas;

*a modest offering of cultural and recreational activities that necessarily supplement the programs of any credible postsecondary institution;

*counseling and placement services for United Tribes students;

*support services such as the cafeteria, housing, maintenance, student transportation, administration and fixed costs.

In addition to these services, the Center provides other services relevant to its family centered philosophy. These are an elementary school, a child development center, a nursery and a dispensary.

United Tribes exists as an Indian family community. It is designed to serve Indian people who are either not served adequately or who are not served at all by more traditional programs. As such the Center represents the first tangible and realistic opportunity for successful vocational training and subsequent employment for most of its students.

OPERATING AUTHORIZATION

United Tribes operates under the auspices of P. L. 93-638, the Indian Self-Determination and Education Assistance Act. The United Tribes Educational Technical Center's prime contract is a line item in the Bureau of Indian Affairs budget under the Employment Assistance Adult Vocational Training category.

ACCREDITATION

United Tribes is accredited by the North Central Association of Colleges and Schools at the certificate granting level. North Central completed its reevaluation of the Center's ten vocational programs in 1985 and granted full continuing accreditation through 1990.

NEED

Since 1979, UTETC has experienced several reductions in the base direct operating budget. From the 1979 appropriation of $1.585 million, the successive budgets have been: 1980, $1.429 million; 1981, $1.338 million; 1982, $1.056 million; 1983, $1.056 million; 1984, $1.210 million; and 1985, $1.167 million. The 1985 appropriation represents a reduction of 26.4% over the 1979 budget.

During the same period, the cost of purchasing goods and services has risen sharply due to inflation and normal cost increases. As an example, the center has experienced large increases in the cost of utilities since 1979. The cost for electricity has risen about 58% per unit while the per unit gas cost has increased approximately 57%. Over the years, the center has for the most part been able to offset rate increases by implementing stringent conservation measures such as improved weatherization and reductions in building temperatures. However, it must be noted that consumption cannot be further reduced because of the location of the Center and the harsh winters of the northern plains.

In the area of staff costs, the average instructional salary has risen about 29.6% from 1979 to 1985. This figure represents an annual salary increase of less than 5% per person. While these increases have been minimal on a yearly basis, the net result is that the Center must spend more dollars to purchase competent instructional services. While the Center continues to serve essentially the same number of students, the higher salary cost and budget constraints have necessitated a 14% reduction in the prime contract staff. As a result of the reduction, adjustments have been made in the assignment of staff duties. In some departments, this has meant that fewer staff people handle greater workloads. In other areas, the duties of departments that cannot be staffed have been reassigned to other personnel. Even though the staff has performed well under the increased demands, the net effect has been that less services are available to the student body. Further staff reductions may seriously jeopardize the Center's survival.

The diminished funding for the Center has meant that funds for the replacement of worn out equipment and/or the purchase of new instructional materials have, for the most part, been unavailable. Increasingly, the lack of new equipment will seriously impact the quality of vocational programs. The classroom materials used in vocational education must reflect the "state of the art" in the workplace. Failure to do so can jeopardize the adequacy of training and subsequent entry into the workforce.

Lack of available resources has also meant a limitation on the repair and maintenance of the physical facility. The facility occupied by the Center is the old Fort Lincoln army post. As such, other than the more recently constructed skills center, the child development center, the cafeteria, and part of the community center, the majority of building are more than eighty years old. Continuing a course of nonrepair will ultimately prove more costly as the repairs will be greater.

Another area of great need is the campus streets. For the last eleven years, little or no repair has been possible. Given the deterioration from age and the traffic on Center, an independent engineering firm estimated the repair for the 3.1 miles of campus streets at $700,000. The Center is currently seeking alternative resources for street repair.

Historically, the Center placement rate for graduates has been 85% per year. Some graduates have developed their own business ventures while others have continued their education at other schools.

While the placement figure is a significant and visible demonstration of the success of the vocational training, it is not the only gain of UTETC graduates. Some of the gains are of an intangible nature and, therefore, extremely difficult to measure; however, there are some points of consideration that should be noted here.

Starting wages for placed graduates can vary widely. For the FY 1985 graduates, starting salaries varied from a low of $3.35 per hour to a high of $12.00 per hour. The average starting salary was $4.81 per hour.

Using historical figures and projections based on available data, the potential savings in direct public assistance can be calculated. For this purpose, an annual graduation figure of 100 students will be used. Each graduate will be considered to have one dependent. (Note: Although the average family size is 3.25, this will allow for single graduates.)

Potential direct payment savings may be calculated as follows:

100 graduates x 85% placements = 85 placed

85 placed x 67% welfare recipients = 56 recipients

56 recipients x 2 individuals/graduates = 112 people

112 people x $816 annual payment = $91,392 potential savings

Although current contributions in the form of income tax payments have not been calculated, it is of note that taxes plus the savings in direct assistance will constitute a sizeable dollar figure.

In the special allocation request submitted by United Tribes Educational Technical Center to Congress in April, 1981, the net gain realized through payment of taxes and reduced assistance was calculated.

At that time, the average salary was $1,500 lower and the per year payment for public assistance was about $100 less than the 1985 figures. The 1981 figures showed that the cost of training would be repaid in 6.39 years of post graduation employment.

LEVEL OF FUNDING

If the future of United Tribes Educational Technical Center is to be assured, sufficient funds must be provided by Congress. Congress has traditionally provided and directed a minimum of $1.2 million annually for the direct costs of the Center. Despite this, the BIA has attempted to apply continued reductions to the UTETC budget.

Although the Bureau of Indian Affairs budget request includes a $1.702 million request for UTETC, it is important to note that this figure does not represent an increase over FY 1986, but rather a reduction.

In prior years, the BIA requests showed only the direct costs. Contract support (indirect costs) were provided separately. This year, the BIA budget request includes both direct and contract support.

Based on the Center's current indirect cost rate negotiated with the Inspector General, this is a direct cost request of $1,171,370 with contract support in the amount of $530,630. This is a .5% decrease from the FY 1986 appropriation of $1,177,484.

The $1.7 million request is highly inadequate and could jeopardize UTETC's ability to function at a minimum effective level. In fact, this level of funding could be so dehabilitating that it could cause UTETC to close its doors.

Since 1979, UTETC has practiced all possible austerity measures and yet has maintained a quality program. The quality of the programs is well evidenced by the continuing accreditation of the North Central Association of Colleges and Schools.

In addition, UTETC has and will continue to call on other federal and private resources to meet its needs. This is evidenced by the recently completed skills center. This building represented a combination of Economic Development Administration funds and private foundation dollars.

The $2,100,000 request represents a direct cost of $1,445,286 and $654,714. This dollar amount represents the minimum budget necessary for United Tribes Educational Technical Center to continue providing a needed and quality vocational program to Indian people.

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

GARY ALLEN, NATIVE AMERICAN SCIENCE EDUCATION ASSOCIATION

Mr. **YATES**. Native American Science Education, Gary Allen.

Your statement may be made part of the record.

Mr. **ALLEN**. Thank you, Mr. Chairman.

My name is Gary Allen and I am the Executive Director of the Native American Science Education Association here in Washington, D.C. I have brought with me today two of my staff members who are very instrumental in making our organization as effective as it has become in the last several years.

Thank you for including my written comments in the record. There are several points I would like to bring to your attention, Mr. Chairman.

Our Nation's educational system has only recently begun to acknowledge and address the results of more than a generation of glaring educational deficiencies by responding seriously to "A Nation at Risk", the report of the Commission on Excellence. In 1984, Congress enacted the Education for Economic Security Act underscoring the fact that without adequate technical and scientific education, our Nation is on a clear course toward unilateral educational disarmament.

Today, less than two years later, the appropriations for this act have been cut nearly 60 percent. The Federal Government having taken steps to address real educational needs, now seems willing to abandon these efforts long before their completion. We question the wisdom of these cuts and take the position that they are ultimately detrimental to the future of the entire Nation because they represent an emphasis on short-term fiscal responsibility only by sacrificing a commitment to long-term educational excellence.

Native Americans today are beset by troubles as they have been throughout modern memory. Nearly 500 year after Columbus, the aftershocks of conquest are still being felt. Treaty obligations are still in dispute; traditional ways of life are being sacrificed; and high unemployment, poor sanitation, ill health, and chronic disillusionment plague Indian communities.

Perhaps the most striking fact about Native Americans in 1986, however, is that, despite all that has happened to them, North America's aboriginal inhabitants remain determined to take full advantage of all the benefits and responsibilities of citizenship without turning their backs on their roots and their cultures. They see education as the key to this process, a bridge between both worlds.

Although Native Americans were our country's first scientists, today they are the most underrepresented minority in the scientific and technical professions.

It is at the pre-college level where we must not only initiate but sustain programs targeted on improving education for Indian children. From our point of view, there must be an overall improvement in the quality of pre-college science and mathematics education and an increase in the number of students seeking degrees in science and mathematics related programs.

The proposed cuts in Indian education at the Federal level and the redistribution of responsibility for the administration of these funds is not consistent with these objectives.

These proposals assume that states will pick up this responsibility with new Federal funds and new accountability mechanisms, and yet many states have traditionally demonstrated little or no active concern for the unique needs of Native American students. The proposed Indian Education legislation would distribute Indian education funds first to states in the form of a block grant, then to local LEAs.

The logic of this plan for addressing the needs of a specific Indian population quickly breaks down. The boundaries of an LEA are frequently not coterminous with the boundaries of a tribe's lands or the residence of its population. The Yakima reservation, for example, is divided by twelve LEAs.

What appears to be a measure to streamline and provide clear accountability would, in fact, lead to administrative confusion unforeseen by the authors of the act. Real needs will be fragmented, and comprehensive mechanisms to address them will be lost.

Mr. Chairman, much has been made in recent years about the unique responsibility of the Federal Government for defense.

Mr. YATES. I hate to interrupt you, but if you are going to read your statement, you will be past your time. Tell me what it is you really want us to do.

Mr. ALLEN. Essentially, I want you, in the Reorganization Act of 1986, to redistribute the responsibilities to the state, we would like to take the position that the duties are substantial, that Indian schools are already in trouble having difficult sustaining their enrollment, that in many schools and local LEAs, the longer the child remains in school, the farther they fall behind the national norm, and those improvements cannot be sustained unless the level of funding for Indian education remains fairly constant.

The Federal Government has a continuing obligation to do this and the imposition of state block grants and to put the states as a mediator of this process will ultimately frustrate these objectives and dilute the effectiveness of the Indian education program.

Mr. YATES. That is a very effective statement you just made.

Mr. ALLEN. That summarizes that.

Mr. YATES. Okay. That is what I want, but because the full information is in your statement and we will read that. Thank you very much. We appreciate you coming in.

Mr. ALLEN. Glad to have the opportunity.

[The statement of Mr. Allen follows:]

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Gary G. Allen

INDIAN EDUCATION PROGRAMS

AND THE

INDIAN EDUCATION ACT OF 1986

Testimony of
Gary G. Allen, Executive Director
Native American Science Education Association
before the
House Appropriations Subcommittee for Interior
and Related Agencies

March 6, 1986

1228 M Street, N.W. • Washington, D.C. 20005 • (202) 638-7066 • (301) 262-0999
AFFILIATE PROGRAM OF THE PHELPS-STOKES FUND

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Mr. Chairman and members of the Committee: my name is Gary G. Allen, and I am the Executive Director of the Native American Science Education Association. I am appearing today on behalf of the Association and its Board of Directors to comment on Indian education budget recommendations and the proposed Indian Education Act of 1986, and their effects upon the quality of Indian education programs. I have prepared additional written material regarding these issues which I will not have time to fully develop in my oral testimony. I request, therefore, that these materials be included in the record as part of the Association's testimony.

Our nation's educational systems have only recently begun to acknowledge and address the results of more than a generation of glaring educational deficiencies by responding seriously to A Nation at Risk, the report of the Commission on Excellence. In 1984 Congress enacted the Education for Economic Security Act, ~~PL 98-377~~, underscoring the fact that without adequate technical and scientific education, our nation is on a clear course toward unilateral educational disarmament.

government

Today, less than two years later, the appropriations for this Act have been cut nearly 60%. The federal ~~budget~~, having taken steps to address real educational needs, now ~~seems~~ willing to abandon these efforts long before their completion. ~~NASEA~~ questions the wisdom of these cuts and takes the position that they are ultimately detrimental to the future of the entire nation because they represent an emphasis on short-term fiscal responsibility only by sacrificing a commitment to long-term educational excellence.

~~Mr. Chairman,~~ Native Americans today are beset by troubles as they have been throughout modern memory. Nearly five hundred years after Columbus, the aftershocks of conquest are still being felt. Treaty obligations are still in dispute; traditional ways of life are being sacrificed; and high unemployment, poor sanitation, ill health, and chronic disillusionment plague Indian communities. Perhaps the most striking fact about Native Americans in 1986, however, is that, despite all that has happened to them, North America's aboriginal inhabitants remain determined to take full advantage of all the benefits and responsibilities of citizenship without turning their backs on their roots and their cultures. They see education as the key, to this process a bridge between "both" worlds.

Although Native Americans were our country's first "scientists", today they are the most underrepresented minority in the scientific and technical professions. ~~On the other hand, they are also among this nation's largest owners of energy and natural resources.~~ Tribal leaders are painfully aware of the critical need for members trained in the fields of medicine, health science, engineering, resource management and science and mathematics education. Unless continuing sources of support are available in the field of education to develop science-related professions in Indian communities, the development of these resources will remain largely in the hands of non-Indians, and their self-determination objectives will be unfulfilled. Mr. Chairman, may ~~I point out that today's sixth~~ grader will be the college graduate of 1996. It is at the pre-college level where we must not only initiate but sustain programs targeted on improving education for Indian children. From our point of view there must be an overall improvement in the quality of pre-college science and mathematics education and an increase in the number of students seeking degrees in science and mathematics related programs.

~~The Association has identified two types of strategies to increase~~ the size of the scientific/mathematical talent pool:

1. Strengthen the quality of pre-college education, with a special emphasis on teachers' content knowledge and instructional strategies;

2. Implement programs which decrease attrition from the talent pool, with special attention on curricula which are sensitive to the unique needs of Native American students.

The proposed cuts in Indian education at the federal level and the redistribution of responsibility for the administration of these funds is not consistent with these objectives.

traditionally

These proposals assume that states will pick up this responsibility with "new" federal funds and "new" accountability mechanisms, and yet many states have demonstrated little or no active concern for the unique needs of Native American students. The proposed Indian Education legislation would distribute Indian education funds first to states in the form of a block grant, then to local LEA's. The logic of this plan for addressing the needs of a specific Indian population quickly breaks down. The boundaries of an LEA are frequently not coterminous with the boundaries of a tribe's lands or the residence of its population. The Yakima Reservation, for example, is divided by twelve LEA's. ~~They have a public school, a~~ contract school, ~~and a private church-related school with overlapping attendance areas.~~ What appears to be a measure to streamline and provide clear accountability would, in fact, lead to administrative confusion unforeseen by the authors of the Act. Real needs will be fragmented, and comprehensive mechanisms to address them will be lost.

Such a Title IV ①

Mr. Chairman, much has been made, in recent years, about the unique responsibility of the federal government for defense. A similar case can be presented for the federal government's unique trust responsibility to Native Americans, a responsibility which historically has included education. The proposed budget for FY-87 would interpose states as mediators of this relationship, allowing them 5% of the budget for administrative costs and requiring them to develop plans, conduct assessments and require reports for LEA's. These requirements are unfunded while the overall amount of funds available for Indian education is reduced by nearly 10% from FY-86.

It would make better sense to treat Tribal Departments of Education as SEA's for the purpose of this legislation, allowing them to retain the administrative money and deal directly with the LEA's that serve their young people.

The loss of funds for the Title IV Resource and Evaluation Centers is especially serious. While some have made the case that broad-based technical assistance is not a continuing major need in Indian education, the usefulness of specifically targeted resources for curricular areas by educational levels and for needs assessment and planning are at the forefront of innovation for mainstream schools. These needs are even more pressing for those schools which serve Native Americans. Now is the time to refocus the Title IV Centers, not abandon them. Federal funding for these activities is absolutely essential to the continued development of Indian education programs.

We are extremely concerned about the effects of proposed cuts on Native American youth. Because of critical health, housing, and employment problems in many Indian communities, education is seldom the top priority. Distorted by the fads of federal finance and the inconsistent efforts of diverse local administration structures, progress in attaining educational objectives is often slow and uncertain. The loser, of course, is the Native American student. Local schools not only fail to adequately prepare students for success in higher education but frequently lose half their enrollment before secondary matriculation is complete. The farther the Indian child progresses in many schools, the farther behind national norms he falls.

This discouraging description is very clearly evident in the sciences and mathematics. Native American students have found these to be the most difficult areas of their curriculum. Science, often perceived as alien to Indian culture and frequently taught as remote from daily experience, is still recognized for its potential to bridge the cultural gap and its necessity to the struggle for self-determination and tribal survival.

Mr. Chairman, a young Indian woman once said to me, "We are told, 'Get your education in order to survive. Remain Indian to keep your self-respect.'" These goals need not be mutually exclusive if we help support, in Indian communities, science and mathematics education which is sound in content and culturally sensitive. Then education can become a means of surviving and keeping one's self-respect for all our American Indian citizens. Education is essential, as are jobs, health care, functioning economies, and a federal government that keeps its promises. Our record in recent years has not been good. Federal support for Native American programs has been cut by over one billion dollars since 1981.

The Association believes in a federal budget which is both responsible AND responsive. We are being neither when we consistently sacrifice our future and the futures of our young people.

Let's keep our promises to our American Indian citizens.

Let's continue programs to improve education in a "nation at risk".

Let's honor this nation's fundamental commitment to achieving excellence and equity in education for ALL its citizens.

Thank you, Mr. Chairman.

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Rose Robinson (Hopi)
Lloyd Smith, Sr. (Warm Springs)

Executive Director
Gary G. Allen

The Need for Strengthening
Native American Pre-College
Science and Mathematics Education

Statement of Need

The average science and mathematical achievement levels of Native American students are extremely low in comparison with students of other ethnic groups. In New Mexico, a tenth grade computation proficiency examination found only 21% of Native American students scoring 65% correct or higher, while 27% of the black students, 41% of the Hispanics, and 72% of the white students scored at or above that level. In problem solving, the proportion of Native American students achieving 65% or higher was nearly equal to black students (57% and 58%, respectively); however, both were still much lower than Hispanics (79%) or white students (94%) (Southwest Resource Center for Science and Engineering, 1981, p. 7).

In the state of Washington, the average mathematics score for Native American students attending public schools was the 33 percentile in 1980. Specific reservation students scored as low as 24 (Brod & Brod, 1981).

The California Achievement Tests average mathematics score of Choctaw students attending four junior high schools in Mississippi were in the 17.8 percentile in 1977, the 22.3 percentile in 1978, and the 26.3 percentile in 1979 (Brod, 1979). Although these scores indicate improvement, the average percentiles of Choctaw twelfth graders during that time frame were 17.5 in 1977, 25.8 in 1978 and 18.1 in 1979 (Brod, 1979, p. 21).

Brod's (1979) Mississippi study confirmed a conclusion reached by the Senate Sub-committee on Indian Education (1969) ten years earlier: the Native American child typically falls farther and farther behind national norms as he/she progresses through school. This phenomenon has been designated as "progressive retardation" (Combs, 1970). The third grade Choctaw students in Brod's study scored a 2.9 grade equivalency in mathematics in 1979. The "progressive retardation" apparent in his results shows sixth graders that year at 4.9 and twelfth graders at 8.1. The longer they were in school, the farther they fell behind (Brod, 1979, p. 13).

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Bradley (1983), in a paper on Native American mathematics education concludes:

> The evidence shows Native Americans are not obtaining sufficient competence in mathematics to study the higher level mathematics courses in high school, to take the calculus sequence, and to enter mathematics related careers. All the recruitment efforts of Indian communities and reservations together with high technology industries to employ Indian people in careers requiring mathematics or statistics will be unsatisfactory. As long as Indian students avoid mathematics and limit their choices in the job market, there is little hope to raise the overall relative family incomes of Indian people to any significant degree.

Green suggests the problem of Native Americans' lack of achievement in science and mathematics is one of emotional or psychological origin. She interviewed Indian college students, educators, counselors, teachers, program directors, and many non-Indian educators and advisors for the American Association for the Advancement of Science project on Native Americans in Science (Green, 1978a). The purpose of her study was to find the barriers obstructing entry of Native American students in the natural sciences.

> Most land-based Native Americans are in a serious struggle for the retention and development of the land they own, and in that struggle lies a potential for economic development which can change health care and education patterns for the good. Thus, Native engineers, geologists, hydrologists, resource planners and managers, conservationists, foresters, agronomists, aquaculture specialists, chemists, geneticists, animal husbandry specialists, botanists - are all needed to raise the general education of the Native people, as well as to provide meaningful career options for all Indians--rural, urban, land-based and not (p.1).

Smith (1981) described several studies which indicate that Native American students living on reservations in Arizona have a significantly different understanding of words used in science and mathematics than either white or Native American students from urban settings or urban children who speak only Spanish at home. He inferred that, "Although the investigations are non-conclusive, it does seem reasonable to suggest there are differences that exist, they are measurable, and they are culturally induced" (p. 7).

After working with one group of Native Americans, Moore (1981) reports that the basic concepts and objectives of the philosophy and religion underlying their culture are "entirely consistent with those views of the greatest contributors to the development of science and mathematics." Descartes, Kepler or Einstein "would have felt comfortable with the world view of the Navajo Chanter...," he believes. Moore concluded that, "Any differences between the Indian and Anglo cultures which would impact upon the learning of sciences and mathematics would be incidental and superficial rather than fundamental and substantial" (1982, p.2).

Numerous hypotheses suggesting the causes and possible solutions to the problem of science and mathematics underachievement by Native American students have been expressed. Some of the more promising areas of investigation are discussed here along with the hypotheses that need to be tested.

Influence of Student, Teacher, Counselor, and Parent Expectations

Participants attending the Conference on Mathematics in Indian Education in Albuquerque "felt the factor most important in keeping Indian students from obtaining a good mathematics education is the prevalent feeling among teachers, counselors and administrators that a more-than-rudimentary mathematics competence is beyond and/or irrelevant to Indian needs" (Green, Brown & Long, 1978, p. 2). Nash (1973 and 1976), for example, has demonstrated effects on children's classroom and test performance resulting from teachers' expectations. The influence of parental expectations can be so great that their belief in the child's ability can predict course-taking according to Ortiz-Franco (1981). Many Native American students report being "counseled out" of science and mathematics because it was perceived as too difficult for them or as unnecessary for their futures (e.g., Green, 1978a).

The affective variable of causal attribution is also related to the students' expectations of their ability to perform (Fennema, 1982). Thus, even students performing well in science and mathematics often attribute their success to such external factors as luck or chance which may or may not be repeated. These same students may attribute their failures to such internal forces as lack of ability, however. The students' locus of control for success is often different for success and failure (Crandall, Katkovsky, & Crandall, 1965).

Further data are now needed to demonstrate successful techniques for convincing Native American students, their parents, teachers and counselors that science and mathematics are important to these students' futures and that they do have the ability to perform successfully.

The Need for Culturally Sensitive Programs

Participants at the Conference on Mathematics in American Indian Education considered culturally based education to be especially appropriate for precollegiate math and science (Green, et al., 1978). Johnson (1975) recommends introducing science and mathematics concepts via materials and examples from both the dominant culture and the specific ethnic culture of the students within the classroom. He advocates encouraging students to interpret abstractions in the form of story situations which they contrive, using foods, occupations, places and events from the learners' environment. Green, et al. (1978) recommend looking at how the culture uses science and mathematical concepts (e.g., astronomy, cooking, crafts) and including these in the curriculum. The Ohoyo Resource Center has published a bibliography of culturally based curriculum materials available for teachers of Native Americans (Nelson & Walton, 1982). Although relatively few of the materials are for science and mathematics, the bibliography has proven extremely valuable to those attempting to prepare culturally based programs.

One of the difficulties plaguing NASEA's work is the lack of generalizability of successful programs. There is no single "Native American culture" upon which to base a science and mathematics curriculum. Rather, there are over 400 Native American tribes, each with, to some degree, a different culture (see, for example, Keshena, 1980). Since culturally based materials developed for one tribe may not be appropriate for use by students from other tribes, curriculum developers in this area may need to look primarily at those universally accepted activities that are culturally sensitive for numerous tribes. Activities prepared to teach science and mathematics through such activities can be made tribally specific by the classroom teacher. For example, games of chance are played by members of most tribes. A unit on probability could be developed using several examples of these games while encouraging the teacher to include the games played by the specific tribe or tribes represented in the classroom.

Improving Pedagogy

Green's conclusions are bleak:

> I have concluded that, in general, the public school's preparation of most students in science and math is sadly wanting; that it is most doubly wanting when it comes to answering the needs of minority students; that little attempt is made to answer specific minority characteristics or needs when attempts are made to remedy the problem; and that the kinds of Indian students who do not share in the fairly respectable public education afforded many of the students in my sample may be in worse shape than anyone else (p. 7).

Her concerns were echoed by participants of the Conference on Mathematics in American Indian Education. "All concurred that a basic science and mathematics education, as it is customarily taught, may be inappropriate for the needs of most people, and most certainly for Indians on reservations" (Green, et al., 1978, p. 4). The Ford Foundation (1981) also agreed that the way science is taught to all students requires radical reform, and results of the second National Assessment of Educational Progress (NAEP) in mathematics tend to support the same conclusions. Only 39 percent of nine-year-olds sampled believed they usually understood "what we are talking about in mathematics" (Carpenter, Corbitt, Kepner, Lindquist, & Reys, 1980).

Scott (1982) looked at the differences in performance in mathematics between Pueblo Indian and white students entering a teacher training program. The subjects of this survey were matched on overall math scores. The white students in this sample scored higher in arithmetic, while Pueblos scored higher in measurement. Scott noted that the arithmetic items were all highly symbolic and could be done with rote manipulation devoid of any real world context while the measurement items were application problems that related to "real world experience". Scott suggests that this may provide a useful pedagogical hint in providing basic mathematics instruction to Pueblo groups; namely, that skill development be related to real-world situations such as those involving measurement.

Competence in science and mathematics is one of the necessary elements for the successful negotiation of a technological society. It is apparent from these studies as well as investigations in more than a dozen Indian communities that students have relatively low science and mathematics achievement and high levels of science and mathematics avoidance. The limited amount of research and the preponderance of opinion indicate that programs which are culturally sensitive have greater success with Indian students than do traditional programs. The data indicate that even when Native American students are successful in these fields, they still demonstrate avoidance. It is evident that a program is needed to both strengthen the skills of staff and convince parents, teachers, and counselors that Native American students are capable of successful achievement in science and mathematics and, further, that science and mathematics are necessary for success.

NASEA's work has highlighted these observations and further shown that in schools serving Native Americans:

A. An extraordinarily high rate of teacher turnover exists in many reservation schools - 33% or higher in some subject areas is not unusual;

B. Many teachers at the junior high school level and above are inadequately prepared to teach the sciences, and virtually none of these are Native Americans;

C. Geographic and cultural isolation compounded by poor recruitment practices and orientation efforts have contributed to staffing difficulties in reservation schools.

To solve this teacher shortage problem, many LEA's have hired teachers who were uncertified in science and math fields and made teaching assignments out of major areas of preparation. These teachers often approach their responsibilities with such concern and bias that in addition to their inadequate preparation to teach science and mathematics, they bring into the classroom strong stereotypical attitudes toward their students' ability to master these subjects (Shaughnessy, 1978).

Parity

Native Americans have, within the past decade, assumed greater control over their schools. As they have gained responsibility for school administration, each has had to grapple with educational priorities, the development of an educational philosophy and some assessment of their own real needs. In nearly every case, this process has barely begun. It has been hampered by conflicting educational structures, and the pressure of operating these systems in, at best, difficult circumstances. Faced with enormous needs in local communities, education is seldom a top priority. Distorted by the fads of federal finances and the inconsistent efforts of constantly changing local education personnel, progress in attaining educational objectives is slow and uncertain. The net loser is the Indian student. Local education efforts have too frequently become a well meaning system that fails to adequately prepare students for success in higher education and loses nearly half its enrollment before secondary matriculation is complete. Each school is virtually an island with infrequent and usually only informal contact, at the staff level, with other schools in the local community.

This discouraging description is very clearly evident in the sciences (broadly defined to include math and social studies, as well as the physical, chemical and biological sciences). Indian students have found this the most difficult area of their curriculum.

Native Americans continue to be the most under-represented minority in the scientific and technical professions.

Native American Scientific/Technical Professionals

Population of United States:	218,000,000
Indian Population:	1,800,000

Field of Specialization	Total Indians	Total U.S.	Needed for Parity
Medicine	125	340,000	1,435
Medical Doctor (MD)	6	120,000	546
Nurse (RN)	644	750,000	2,796
Veterinarian (DVM)	1	30,000	137
Podiatrist (DPM)	2	7,120	31
Pharmacist	30	125,000	543
Speech Pathology	10	16,000	63
Optometrist	12	29,265	76
Psychiatrist	18	17,383	62
Business (All Fields)	75 (est)	(?)	(?)
Engineering (All Fields)			
Bachelor's Degree Holders	140	1,115,000	4,975
Master's & Ph.D. Holders	14	19,165	38
Ph.D. (All fields)	40	600,000	2,712
Psychology	12	40,000	171
Attorney	150	450,000	1,960
Teacher (Public School)	3,534	1,995,057	5,518

(Source: South Dakota Indian Education Association, based on compilations by the U.S. Department of Education)

Native Americans are among this nation's largest owners of energy and natural resources. Tribal leaders are painfully aware of their critical needs for members trained in all the above fields. Unless mechanisms to support the development of these professions are supported, then not only will the development of tribal resources remain largely in the hands of non-Indians but their cultural survival and self-determination objectives will remain empty of any real promise of fulfillment.

The Scientific/Mathematical Talent Pool

A group of science professionals represents the survivors of a larger pool of students who initially pursued these specialties. Native American representation in a professional group can be increased by: (1) increasing their share in the pool by more than the increase in attrition or, (2) by reducing their attrition from the pool by more than the decrease in their share of the initial pool.

To affect either the size of the pool or attrition NASEA has sought to identify when to target its efforts and what to target. During 1977-81 the National Science Foundation (NSF) funded five needs assessment projects to identify strategies to strengthen science and mathematics education programs in Native American communities. The conferences asked local educators, parents, and administrators to explore issues related to their assessment of local needs, present programs and strategies for improvement in educational practices to enhance student achievement and to meet tribal manpower needs in science-based professions.

It became evident from the eighteen local assessment conferences that an individual decision, including the decision to enter the scientific/mathematical pool and the decision to stay in it reflects specific combinations of three factors: what the individual wants (preferences, motivations, values), knows about (information) and can do (skills, resources, such as verbal and quantitative achievements and financial support).

In the majority society, the scientific/mathematical pool first appears in elementary school. It emerges strongly prior to grade 9 and is essentially complete by grade 12. In a major study of the career development of scientists, Cooley (1963) found that by grade 5 (age 10), a third of those boys with above average intelligence had career interests that required at least a college degree in a quantitatively-based field.

Snelling and Boruch (1972) conducted a retrospective study of science B.A. graduates from 49 select liberal arts colleges for the graduating classes of 1958-1967. They found that, depending on year: (1) over a third to a half of all science B.A. graduates had selected science as their major field of interest prior to grade 9; (2) an additional 40 to 50 percent chose science as their major field of interest during grades 9, 10, and 11; and (3) grade 12 added only about another 5 percent. In sum, depending on the year, 89 to 95 percent had selected science as their major field of interest by grade 12. Female science B.A. graduates tended to select science as their major field of interest somewhat later than their male counterparts, but by grade 12 even 90 percent of the women had chosen science as their major field of interest.*

As discussed later in the Rockefeller report, "after grade 12 migration is almost entirely out of not into the talent pool." Thus, the pool from which future science professionals is ultimately derived is essentially formed by the conclusion of high school. No existing longitudinal data base adequately samples Native Americans at the life stages required to assess the origins and consequences of students' educational and career choices.**

However, no significant data or body of opinion was identified in our local assessments to lead us to believe that these same observations concerning the importance of the pre-college education experience to the selection of a major field of interest was any different for Native Americans than for students in the majority culture. However, such factors as:

weak instruction
weak curriculum
inconsistent instructional objectives
lack of cohesive curriculum
lack of cultural relevance
parental support
low teacher expectations
teacher turnover
instructional time on task
bilingual barriers
student attendance
student attrition
family socio-economic status
adminstrative turnover
overlapping school attendance areas, and
student achievement particularly in mathematics

compromised both the frequency and persistence of science as a major field of interest. Native Americans as a group are thus very weak in the acquisition of contemporary science skills despite the fact that both their culture and geographic environment are rich in scientific interest and resources.

The Association has identified two types of strategies to increase the size of the scientific/mathematical pool: first, to strengthen the quality of education available to Native Americans before and during high school - thus our pre-college priority, with a special emphasis on teachers; second, to develop strategies to decrease attrition from the pool with special attention on the curriculum and its sensitivity to the unique needs of Native American students.

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* A Special Report: The Rockefeller Foundation, Who Will Do Science. Sue E. Berryman, November, 1983, page 66.

** High School and Beyond quoted in Rockefeller Report, page 88.

In summary, NASEA has come to believe that if Native Americans are to assume key scientific and technical positions within their communities, there must be an overall improvement in the quality of pre-college science and mathematics education available to Native Americans and an increase in the number of students seeking degrees in science and engineering. Presently, Indian students are not prepared to successfully complete standard mathematics, science and engineering programs in college. Their preparation is such that only extraordinary and expensive efforts have been able to assist in the development of the skills Indian students need to enter and ultimately complete professional studies.

Fewer than 600 Native Americans hold graduate degrees in the sciences. In the various fields of engineering, health, geology, energy, etc., tribal needs for skilled professionals cannot be met from their prospective graduates in the foreseeable future. Even those tribes which optimistically talk of a ten-year effort to increase the supply of Indian science professionals have frequently overlooked the fact that the university graduate of 1996 is today's sixth grader. These upper elementary students are not commonly being prepared with or even exposed to a curriculum which will offer significant support for these career choices.

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THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

ROSE W. ROBINSON, NATIONAL INDIAN EDUCATION ASSOCIATION

Mr. YATES. Mr. Anselm Davis.

Ms. ROBINSON. I am representing Dr. Davis who was not able to come because of the budget crisis.

I am Rose Robinson. I am a member of the Board of the National Indian Education Association, and I am here representing this organization, which has the largest Indian and Alaskan native membership in the country.

Our members are nationwide. They come from Federal reservations, from non-federally recognized tribes, urban areas and Alaskan villages. Our written documentation has been submitted.

Mr. YATES. That is part of the record. Tell me what it is that you want us to do.

Ms. ROBINSON. Well, Dr. Allen preempted some of my remarks so I will really cut it short. We have three main areas that we want to address in our remarks because most of—as we represent—most of the organizations who are here testifying before you are going into detail about their needs. We just wanted to emphasize as the national organization which works with them some of the areas which we are most concerned with and for them and there are three main ones.

One is the administration's proposal to turn Indian education responsibility over to the states. The second is the administration's plan to switch the Johnson O'Malley and Indian Education Act programs between the Departments of Education and Interior, and the third is forward funding for JOM and the effects of the Gramm-Rudman-Hollings Act on this.

Just briefly, the administration makes two assumptions about state takeover of Indian programming and one is that they have and will have the money to do this and they will take over, be able to take over the seven percent that now goes to states for Indian budgeting.

The other is that the national population of five to 17 year olds is declining according to Bureau of Census. These statistics are totally misleading for Indians and could be potentially disastrous for them and for the states.

The statistics are that 82 percent of our students go to public schools and they bring in from 40 to 60 percent of the school funds to support their needs through JOM and impacting. And our population is not a microcism of the general population.

That same age group is growing for us and this means that if the states take it over which they would do so very reluctantly, that means that that additional financial burden will be on them.

This whole assumption does not even address the state jurisdiction over Federal tribes which is a matter for our lawyers to talk about, many of whom we educated on Federal funds. The switch of JOM and Indian Education Act programs between the Interior and

Education Departments is apparently the brain storm of administration officials who are new to the subject.

Mr. YATES. You are opposed to it?

Ms. ROBINSON. Yes. Absolutely. The forward funding is a monumental problem. It is a Government term that I don't really understand working in the private sector but the whole premise is sensible to me.

I think that it raises havoc with the budgets of our school administrators who are trying to deal with the budget for the next year and don't even know until the middle of the following year what that is, as you heard this morning.

But I just want to finish by saying that I have been in the Indian business for a number of years. I have been in this city since 1950. I have seen the effects of education funding by the Federal Government for Indians and the advances have been fantastic and I would hope that this country and the United States Government would continue rather than abort that.

Thank you very much.

Mr. YATES. Thank you.

[The statement of Ms. Robinson follows:]

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TESTIMONY BEFORE THE HONORABLE
SIDNEY YATES, CHAIRMAN

SUBCOMMITTEE ON APPROPRIATIONS FOR INTERIOR
AND INSULAR AFFAIRS AND RELATED AGENCIES

PRESENTED BY ROSE W. ROBINSON, MEMBER
NATIONAL INDIAN EDUCATION ASSOCIATION

MARCH 6, 1986

My name is Rose W. Robinson. I am submitting this testimony as a representative of the National Indian Education Association, the largest Indian and Alaskan Native membership organization in the United States. Our members, nationwide, come from federal reservations, non-federally recognized tribes, urban areas, and Alaskan villages. I present this testimony on behalf of this far-flung membership to express our concerns about come aspects of the proposed budget request of the Administration.

Recognizing the immense concern of both the Reagan Administration and the Congress about taking steps to reduce the federal deficit, educators in general and Indian educators in particular have been extremely apprehensive for months about proposed actions that would be included in the FY-87 federal budget.

Although we have had only a few weeks to review the budget figures proposed by the Administration, we are slightly more optimistic now than we were in January. Considering the fiscal problems faced by the federal government, many of the major federally funded programs that support activities to address the needs of Indian and other disadvantaged groups were treated relatively well. I say that from the perspective that we have come to consider a "freeze" on funding a victory. Even though it means less money available at the local level, it does not eliminate programs we consider essential.

Federal funding is absolutely essential for the continued development of

Indian educational programs. William Bennett, U.S. Secretary of Education, has stated that the proposed reductions in his Department's budget will only affect one percent of the overall funding available for education. Such a statement creates an illusion that is totally misleading for Indian education.

At least 18% of all Indian students attend BIA or tribal contract schools that are totally supported by federal funding. The 82% of Indian students who attend public elementary or secondary schools, especially those on or near Indian reservations, will receive as much as 60% of the revenue supporting their educational programs from federal programs, particularly due to the tax exempt status of Indian lands.

There have been significant gains made in Indian educational programs during the past 20 years. More tribes are adopting formal education policies. More Indian people are moving into positions of responsibility. We continue to refine and improve the quality and variety of support programs available to assist Indian students and to address their special needs.

This progress has been despite continuing uncertainty from lack of funding stability that affects virtually all programs serving Indian people. Our funding cycle for operations resembles a roller coaster.

The FY-86 budget adoption process is a prime example of the roller coaster effect that schools are forced to cope with and provides a relevant backdrop for the comments I have regarding the FY-87 budget proposals.

The 1985-86 school year started in August or September. The 1986 federal fiscal year began on October 1. It was the middle of December, however, before federal budgets, or continuing resolutions were finally approved. The school year was, therefore, half over before BIA or tribal contract schools knew what their budgets for the school year would be. It was not until this February that tribes and public schools learned how much would actually be available to support activities under the Johnson-O'Malley program for this school year.

Those who rely on P.L. 81-874, the Impact Aid program, to make up for the lack of taxable property -- some 40% of the revenue some districts expect -- still do not know how much they will actually receive this year.

This situation has existed for a number of years with these programs because none of them are forward-funded. Many administrators have done everything possible to develop procedures that will protect their programs and their personnel from this uncertainty but this totally disrupts effective planning and has caused the loss of the most qualified staff who go where employment has greater security and stability. Programs must be reduced to a minimum for part of the year then expanded, including trying to find qualified personnel,,for the remainder of the year. In trying to insulate themselves from this roller coaster effect, programs are criticized by federal agencies for not spending the funds promptly or for having too much carry-over money.

This roller coaster effect is also stimulated by changes in federal regulations or interpretation of them by federal administrators. Members of Congress are well aware of some of these problems as indicated by the recent passage of House Concurrent Resolution 276, addressing actions proposed by the U.S. Department of Education to change eligibility requirements under Title IV of the Indian Education Act. However, only a few are aware of this Resolution. Applications under Parts B and C were submitted last fall; the deadline for Part A was February 13. Noone is certain about where they stand now. Some schools may have substantially under-counted their eligible students, based on Department of Education information; some many not even have applied.

Congress mandated in the FY-86 budget that Johnson-O'Malley programs concentrate on educational needs. Will new regulations be issued? If so, when? Regulations have also been changed on the allocation formula for P.L. 81-874 for FY-86. School administrators are not yet certain what effect these new regulations will have on available funds.

Now we must cope with the roller coaster dip created by the "Balanced Budget

One is whether the federal officials proposing these changes are aware that Title IV is forward-funded and JOM is not? The new state grant program proposed to consolidate JOM and Title IV, Part A, in the FY-87 budget indicates funds that would be available for the 1987-88 school year. JOM funds in the FY-86 budget are those that, although very late, are supposed to be available for 1985-86 programs.

On the surface it appears we are to absorb the total loss of JOM for 1986-87 plus a 4.3% reduction in Title IV. I might note that from 1980-81 to 1985-86 we have already had a 33% reduction in per pupil funding under Title IV. I do not think it is necessary to detail the effects of the potential loss of over $25 million for Indian education programs in 1986-87. Members of Congress heard a great deal about the importance of JOM programs last year when the Administration proposed its elimination. Now we are being asked to endure even more substantial reductions.

While the Administration's philosophy that funds for federal schools -- BIA or contract -- should go through the BIA and that funds for Indian students in public schools should go through the U.S. Department of Education is rational and could be supported for a variety of reasons, it also raises many concerns.

The proposed changes would virtually eliminate tribes from the process. They would no longer contract programs under P.L. 93-638 as a number do now with JOM. Tribes have been devoting substantial efforts to the establishment of formal government-to-goverment relations with the federal government. The proposed changes seem to totally ignore that relationship. The justification for these proposed changes as contained in the Department of Education budget imply that the only federal trust relationship is between Indian tribes and the BIA. We totally reject this implication. It is the understanding of tribes that their trust relationship is with the government of the United States and all of its agencies.

The proposed legislation does have specific requirements for parental involvement, but many states, and in some cases, the U.S. Department of Education, do not have a record of active enforcement of those legal rights. In P.L. 95-561, Congress mandated tribal and parental involvement for schools receiving Impact Aid funds because of the enrollment of children living on Indian lands. There are, however, increasing complaints from Indian parents and tribes about the lack of enforcement of this requirement. If Congress does seriously consider this legislation, we urge, at the very least, careful review of the involvement of tribes and parents in the process, and the strengthening of their rights.

Although we have only had a short time to review the draft of the proposed legislation that would both reauthorize and significantly change the Title IV program, there are some aspects of it that cause immediate reaction. The draft permits a state to access up to 5% in administrative costs. We feel this should be permitted only if a state education agency can show that these costs will go into direct support of the program.

The legislation mandates creation of state advisory committees at least half of whose members must be Indian parents or representatives of tribes or Indian organizations. We believe this percentage should be legislatively increased.

We are concerned that many states have shown little or no sympathy for the needs of Indian students in the past. If a state chooses not to apply for this new block grant the Indian students within that state will be deprived of essential special services.

Tribal schools not operating under a BIA contract have relied heavily upon Part B of Title IV for supplemental funding. The proposed changes appear to eliminate them entirely from consideration. Tribal contract schools are concerned, based upon their review of the BIA budget documents, about further dilution of the available funds and the Bureau's capacity to effectively implement the program. They foresee the potential threat that parental and community school board priorities will become secondary to those that may be set by the BIA.

The Resource and Evaluation Centers established under Title IV to provide technical assistance to Indian programs, especially where state departments of education have shown no initiative, apparently disappear in the FY-87 budget. This will seriously harm effective program development.

The Administration also again proposes to eliminate "B" students under P.L. 81-874, the Impact Aid program, and to implement a new allocation formula. Although this would protect Impact Aid funding for many schools located on tax-exempt Indian lands, it will be controversial and many schools that desperately need the funds will lose all or part of their essential support. We have seen the legal actions proposed in the past by school districts serving large numbers of military-connected students. We do not believe that the U.S. Department of Education, despite many national studies, has any real knowledge of the diverse fiscal needs that exist throughout the country created by tax-exempt federal property.

I will not go into detail about many of our other concerns regarding the proposed changed contained in the Administration's budget. Other organizations and tribes who have more intimate knowledge of the importance of their programs will be submitting testimony expressing their specific concerns.

We are well aware that intense pressures will be imposed upon members of the Congress during the next few months. The compacted time-line imposed by the Gramm-Rudman-Hollings Act and the efforts that will be exerted by the Administration as well as every group affected will all combine to create a most hectic few months in Washington.

We will be sharing many of the same pressures as we deal face-to-face with staff that may be cut and students who may lose services. We are coping now with budget planning, with meeting the legal deadlines for offering contracts to staff members for next year. A superintendent of a public school serving over 2,800

We want to establish and maintain an effective dialogue with Congress and the Administration regarding the needs of Indian people, and the programs that address them. We know, from what we read and hear, that there are many misconceptions in Washington about Indian Country. We note, for instance, statements in the budget proposals of both the U.S. Department of Education and the U.S. Department of Interior that are far from local reality. We will, in the near future, make submissions to clarify these misconceptions and we will respond in more detail to the various changes being proposed.

We thank the members of this Committee for this opportunity to present our views and we respectfully request that you continue to be receptive to the comments and recommendations that we will be submitting. We recognize the fiscal difficulties facing the nation. Indians have demonstrated their patriotism in every war since the Great War. Our grandparents gained the rights of citizenship in that war. We ask that you do not disenfranchise our children in the fiscal wars that are raging now.

THURSDAY, MARCH 6, 1986.

EDUCATION

WITNESS

KAREN CORNELIUS-FENTON, MONTANA INDIAN EDUCATION ASSOCIATION

Mr. YATES. Ms. Karen Cornelius-Fenton.

Ms. CORNELIUS-FENTON. My name is Karen Cornelius-Fenton. I am representing three different entities, and that of the Montana Indian Association as their president. I was recently elected chairman of the Chemawa Indian School, and I am also representing Montana State University which has a diversity of Indian programs and we are very concerned about the kinds of things that are happening on the Federal level.

In my testimony, I have incorporated a number of the different statements and a number of recommendations we have made relevant to the tribal colleges, to the evaluation and resource centers of Title IV, the graduate programs of which we have a great interesting the State of Montana.

I am going to just briefly touch on some of the things that I think are of key issue and make a couple of recommendations that we feel are very vital to the continuation of our effective education programs. Montana Indian Education is opposed to any change in the administration of the Johnson O'Malley and Title IV programs and, of course, this has been detailed throughout all of the other testimony.

I think we are all opposed to the state block grants. It is our feeling that the transfer from Federal to State really does take a jurisdiction away from the tribes as far as tribal contracting. We can no longer fail under the Public Law 638 contracting.

If this were to be legislative enacted, then one of the things that we feel very strongly about is that tribes should have a first option of being allowed to directly contract with the Federal Government. If they so opt not to, then the remainder of that can possibly go to state block grants.

We do feel that Federal tribal relationship needs to be maintained. Regarding the Title IV programs, Department of Education, we are opposed to any kind of transfer from the Department of Education to the Bureau or vice versa.

The graduate fellowship programs, it was our understanding the consolidation of these two important programs is that basically the Bureau supposedly has a broader experience in administering these and I think that a number of us would question that. If we have to follow the Bureau criteria, it leaves out a number of students who potentially are leaders in the field of education and other fields as well.

It would leave out the non-federally recognized tribes. It would leave out the less than 40 degrees people. The Bureau has consistently given authority to reservation people and leaves out the urban people, many of whom maybe have bachelor degrees, have gone to urban areas for employment purposes wanting them to seek graduate programs, graduate fields beyond that and they would be eliminated from any kind of priority.

In the State of Montana, just giving you some statistics, we have 31 public school districts and six Indian controlled school districts on our seven reservations. Of those 31 public schools, we only have six Indian superintendents and three of the chief school officers for the tribal contract schools.

These types of programs, these six people who are currently superintendents, have been involved in either the EPD programs, be it the one at Montana State University or those elsewhere across the country. We feel that these programs are vitally important, but because it has worked, why change it? Why put it under a one contractor concept which then is, like I said, all strictly BIA criteria.

We have a great concern about that and we feel that if, in fact, the Bureau is going to have it and it goes under a one contract kind of situation, we are facing a number of other situations such as the chance that an inexperienced organization may get that contract, a non-Indian organization lacking sensitivity to the needs of Indian people and the knowledge of what their reservation or their home situations, environmental situations may be.

We feel all three programs, the law program, American Indian scholarships and Title IV have all effectively administered their programs. We would like to see them remain as is.

My next comments basically deal with the off reservation boarding school and for the most part I think that we are satisfied that we did fairly well for the 1987 recommendations. We have concern, though, that there be no further reductions whatsoever because as a boarding school, if we have to face any of the Gramm-Rudman, we may end up having to face closure or the other options that would be the final option.

Other options are trying to consolidate even more in our academic areas and this hurts those students who do have a desire to go on to post secondary institutions. Shortened teacher contracts, we lose the competitiveness we should have for getting the effective teachers we need.

Less than the 180 day school year, I don't think we can afford that. It is already I think at a minimum. We strongly recommend as the Chemawa School Board that this committee consider exempting BIA education programs and, in particular, the off-reservation boarding schools from any further automatic spending cuts by Gramm-Rudman-Hollings.

We do support the concept of forward funding. Only last week, which is six months into the school year, did we receive our advice of allotments. It makes it a little difficult to do any budget preparation.

Finally, as a representative of the three aforementioned entities, each in its own way is very concerned with the lack of consultation with tribes and tribal organization relative to these drastic proposed changes in the administration of educational programs for the Indian population.

There are Federal laws and regulations governing Indian education which make specific provision for tribal organizational consultations prior to policy changes, the magnitude of which we are now facing.

We find it incredible and appalling that the proposed policies which are being treated as already in place come to our attention through the budgetary process. We strongly recommend that if, in fact, the administration desires to restructure the delivery system for the Indian education program that an immediate process for consultation be developed.

We strongly urge this committee to take an active role in assisting Indian tribes and organizations in obtaining more specific information on these proposed changes and afford us the opportunity to make formal comments to this and other appropriate committees on these proposed changes.

Thank you.

Mr. YATES. Thank you very much.

[The statement of Ms. Cornelius-Fenton follows:]

MONTANA INDIAN EDUCATION ASSOCIATION TESTIMONY

(also, Montana State University and
Chemawa Indian School Board)

Prepared for the House Appropriations Subcommittee for Interior
and Related Agencies -- March 6, 1986.

My name is Karen Cornelius-Fenton(Flathead/Oneida). I am the current president of the Montana Indian Education Association, was recently elected chairman of the Chemawa Indian School Board, and am currently employed as coordinator, Native American Community/ University Relations at Montana State University.

On behalf of these three entities, I would like to thank Congressman Yates, the members and staff of this committee, as well as a special thank you to Montana Congressman Pat Williams for the opportunity to testify before you today.

The Montana Indian Education Association is a membership organization with a diverse statewide constituency of approximately 300; the association is governed by a ten member, all Indian Board of Directors elected by the membership. The Chemawa Indian School Board is a five member appointed Board; the Board members are Indian people representing the states of Washington, Oregon, Idaho, and Montana, with one member-at-large. These four states have the primary enrollment of this off-reservation boarding school serving the entire Northwest with numerous other tribal groups represented. Montana State University, under the expert leadership of President William J. Tietz, has a strong commitment to the Indian population of the state, not just the Indian enrollment of Montana State University. Numerous programs, unique to MSU, have been developed in order to better the educational opportunities of Montana's Indian population since 1977.

MIEA is opposed to any change in the administration of the Johnson O'Malley program and the Title IV Program; these administrative changes would only lead to further dilution of the role of Indian tribes, communities, parental groups, and organizations in the administration of these vital Indian education programs on the local level. We are particularly concerned with, and opposed to the transfer of the BIA administered JO'M programs to the Department of Education. There are seven reservations in the State of Montana -- each very culturally diverse. Of these seven reservations, five have contracted, under PL 93-638, for the administration of their JO'M programs. Contracting allows the individual tribes the opportunity to develop culturally relevant programs unique to their particular reservation, as well as fostering the educational goals of the individual tribal groups. The Johnson O'Malley Act provides for local Indian education committees composed of Indian parents with final decision-making authority, thus assuring for active involvement by Indian parents in the education of their children.

The current proposal to merge JO'M with Title IV which would then be administered through State departments of education through block grants appears to us to be in direct conflict with the Administration's policy of recognizing the government-to-government relationship which encourages tribal contracting under the auspices of PL 93-638. Does not this transfer from federal to state control take the program outside the jurisdiction of the Indian Self-Determination and Educational Assistance Act? If this proposed transfer were, in fact, to be legislatively enacted, tribes should be given the first option of contracting directly with the federal government, and not be placed under a State Block grant system. Until such time as Congress enacts appropriate legislation relevant to this proposed transfer, we recommend that JO'M be restored to the FY'85 level.

Regarding the Title IV programs, Department of Education -- we are opposed to the transfer of the graduate fellowship and special program funds to BIA. The speical program funds, received on a formula basis, have allowed the Indian controlled contract schools to develop and implement innovative programs unique to their academic and cultural needs, and are not as restrictive as are the JO'M funds. As for the graduate fellowship program, as we understand, the rationale for the consolidation of these two vitally important programs is basically that both departments -- Education and Interior, through Title IV and Office of Indian Education, respectively -- operate nearly identical graduate programs, and because the Bureau has had a longer and supposedly broader experience in the administration of such graduate grants, as well as undergraduate, that they should be consolidated under the control of the Bureau. Further, as stated in the budget justification, the two million dollars, as proposed, which is a reduction of $1,254,000 from the combined FY'86 funding level, will be administered by a single contract awarded on a competitive basis and will use BIA criteria for eligibility and need. The BIA may, in fact, have had more years experience in the administration of graduate programs but the awarding of their fellowships has been based strictly on need and does not necessarily allow for past academic success, desire to be of service to Indian people upon completion of degree - to name only a few. To utilize BIA eligibility criteria will greatly limit the distribution of funds to other worthy Indian students. What happens to the non-federally recognized, less than one-quarter degree individual who lives in an urban area? We talk of Indian self-determination but in order to ever achieve such, we must have properly trained Indian people in all areas including education. Through the Education Personnel Development programs and the individual fellowship program of Title IV, we have seen an increase in the numbers of principals and superintendents in our public school systems but we still have only scratched the surface. In the State of Montana, we have 31 public school districts and 6 Indian controlled school districts on our seven reservations. Of those 31 public schools, only six have Indian school superintendents and three of the six Indian controlled schools have Indian chief school officers. All of these men have in some way been involved in one of the EPD programs across the country. The former graduate fellowship program at MSU assisted 50

Indian people to obtain graduate degrees in education, and assisted another 10 to obtain administrative credentials. All but two of those people are now serving Indian communities in a beneficial way; the positions which they hold very from tribal college president to academic vice-president at a tribal college, to principals of both public and contract schools, to the executive officer of a major national Indian education program. Regarding the one contractor for the administration of the graduate programs under the BIA, we have some very real concerns. Both the Indian Law Program and the American Indian Scholarship program have effectively administered their respective programs over the years. Why now, when something works, take the chance that an inexperienced organization or a non-Indian organization lacking sensitivity to the needs of potential Indian graduate students, be offered the opportunity to administer the program. The programs, all three of them -- Title IV, the Indian Law Program, and the AIS have provided for the numerous, diverse including blood quantums and tribal recognition in an effective, appropriate manner. We recommend no transfers and that funding levels for the respective programs be restored to the FY'86 level.

It is also our understanding that there is a proposal to terminate/abolish the Title IV Resource and Evaluation Centers. While, we in Montana, did at one time a few years ago, voice our discontent with the services of said centers, we do oppose closure of these centers. We are concerned with the rationale that the states can assume the responsibility of training and technical assistance for Indian programs and people. When, in fact, Title IV grew out of the lack of state responsiveness and responsibility in the early '70's. What documentation can be shown that this has changed over the years? Do the states really want a more active role in the administration of Indian education programs? Have they actually been consulted? In Montana, little if anything, is known of this proposal by our Office of Public Instruction.

Because each of Montana's seven reservations has a tribally controlled college in varying stages of growth from two fully accredited to one just beginning, we are very concerned with the insufficient amount of funding as proposed. Due to inaccurately low FY '87 student count projections, the current request of $6,974,000 is not sufficient to effectively operate the tribal colleges at an acceptable level.

My next comments are relative to the off-reservation boarding schools -- Chemawa Indian School, in particular. For the most part, BIA-funded schools have fared fairly well in the FY'87 recommended budget. Since ISEP dollars are basic and not supplemental, it is of vital concern to us that no further reductions be made. To do so would certainly adversely affect the total residential and academic program. Most of our boarding schools are already operating with less than adequate funding. If full sequestration takes place in FY'87, the projected 25% across the board reductions would be devastating. Attached to my testimony is a copy of what a 25% across the board reduction would do to the Chemawa budget. Potentially cuts of this magnitude could mean closure; what then happens to those nearly 450 students? This would, of course, be the last resort. Options, however, could include:

1. less than the 180 day school year as currently demanded by the Bureau,
2. abolishment of positions which are already at an ineffective low,
3. eliminate even more student activity programs,
4. cut back academic programs to the bare essential courses as required. This last one certainly is not fair to the student wanting to continue in a post-secondary program,
5. shorten teacher/staff contract years; this is already detrimental and does not give us the chance to compete for quality teachers/staff.

We, the Chemawa School Board, strongly urge this committee to consider exempting BIA education programs -- and, in particular, the off-reservation boarding schools -- from the automatic spending cuts under Gramm-Rudman.

We also support the concept of forward funding; only last week -- six months into the school year -- did we receive our advice of allotments. It is very difficult for school adminstrators to develop and implement effective budgets under these constraints. In a time which demands more fiscal accountability from all programs, it is imperative to have the advice of allotments on a more timely basis, if not actually forward funded.

We do support the amount requested for school board expenses but are opposed to the proposed language regarding imposed ceilings. Consideration must be given to the unique needs of the diversity of boards. The off-reservation boarding schools have boards representing varying states, areas, etc. Chemawa Board members, for example, must travel fairly great distances. To develop a budget based on four quarterly meetings only is totally inappropriate. There are at Chemawa, as with any school, extenuating circumstances warranting special meetings. Consideration for these instances must be given when developing budgets.

As a representative of the three aforementioned entities, each in it's own way is very concerned with the lack of consultation with tribes and tribal organizations relative to these drastic proposed changes in the administration of educational programs for the Indian population. There are federal laws and regulations governing Indian education which make specific provision for tribal/organizational consultations prior to policy changes the magnitude of which we are now facing. We find it incredible and appalling that the "proposed policies" which are being treated as already in place, come to our attention through the budgetary process. We strongly recommend that if, in fact, the Administration desires to restructure the deliver system for Indian education programs that an immediate process for consultation be developed. We strongly urge this committee to assist Indian tribes/organizations in obtaining more specific information on these proposed changes and afford us the opportunity to make formal comments to this and the other appropriate committees on these proposed changes.

Once again, thank you for allowing me the opportunity to testify.

File: SPECBUD

PROJECTED BUDGET CUTS FY 86 AND FY 87*********************************

DEPARTMENT	BUDGET FY86	FY 86 CUT 4.3%	FY 87 CUT 25%
ACADEMIC	809,053	34,789	202,263
ADMINISTRATION	248,177	10,672	62,044
LAW ENFORCEMENT	85,255	3,666	21,314
FOOD SERVICE	397,961	17,112	99,490
RECREATION	116,376	5,004	29,094
HOME LIVING	832,488	35,797	208,122
COUNSELING	207,785	8,935	51,946
STUDENT TRAVEL	184,000	7,912	46,000
SPECIAL ED	56,020	2,409	14,005
TOTALS	2937,115	126,296	734,279
SCHOOL BOARD	13,500	580	3,375
CHAPTER I	175,000	7,525	43,750
SPECIAL ED	77,787	3,345	19,447

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JECTED SAVINGS BY DEPARTMENT **

M	OPTION-A	OPTION-B	OPTION-C	OPTION-D
DEMIC	$0	$4,000	$32,000	$17,750
IDENTIAL	$2,500	$4,000	$38,325	$17,750
INISTRATION	$0	$0	$27,250	$0
REATION	$500	$0	$5,206	$0
D SERVICE	$2,000	$0	$2,500	$0
NSELING	$0	$0	$13,000	$0
ENFORCEMENT	$0	$0	$10,000	$0
AL	$5,000	$8,000	$128,281	$35,500
CENT	.17%	.27%	4.37%	1.21
TOTAL	$5,000	$13,000	$141,281	$176,781
PER CENT	.17%	.44%	4.81%	8.68

OPTION-A***CUT SPRING BREAK
OPTION-B***EARLY GRADUATION
OPTION-C***PROGRAM/SALARY CUTS
OPTION-D***CUT ONE WEEK OFF CONTRACTS

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESS

SUZAN SHOWN HARJO, NATIONAL CONGRESS OF AMERICAN INDIANS

Mr. YATES. National Congress of American Indians, Ms. Harjo.

Hi, Suzan. Your statement may be made part of the record.

Ms. HARJO. Thank you very much.

You know, we have appended lots of material that does not deal directly with IHS or BIA, and that is for the use of the subcommittee and its full committee deliberations and as it relates to cross-governmental coordination.

As usual, we want you to do everything, and everything in the Indian Health Service will be addressed by the National Indian Health Board in our joint statement.

The BIA budget we have addressed here——

Mr. YATES. I haven't known about the Smithsonian skeletons.

Ms. HARJO. Yes, right.

Mr. YATES. Did you know about it before now?

Ms. HARJO. Yes.

Mr. YATES. How come you didn't tell us?

Ms. HARJO. I think actually—I did talk with you about this some years ago about having Captain Jack's skull in the Smithsonian, and I believe your office was very helpful in getting Captain Jack's skull returned. There are thousands and thousands of bodies that are still in the Smithsonian and in private museums around the country and I would like to communicate with you very specifically about what we can do about that.

Mr. YATES. Well, we will certainly ask the Smithsonian about it.

Ms. HARJO. Please do. Thank you so much.

Mr. YATES. Tell us in a nutshell what it is you want us to do besides returning the bodies. What do you want us to do with these skeletons?

Ms. HARJO. To contact the——

Mr. YATES. Do you want us to bury them again?

Ms. HARJO. Yes, in some instances they should be reburied. It would vary from tribe to tribe, and it would be up to the traditional tribal leaders.

Mr. YATES. Are they identified in the Smithsonian by tribes?

Ms. HARJO. Yes, they are, for the most part, all identified by tribe, and not all of them are ancient.

Mr. YATES. Do you speak for the tribes in this or is this your own idea?

Ms. HARJO. No. This is something that we speak for our membership and our membership is the largest in the country of any organization. We speak for the membership through specific resolutions and examinations of this matter.

Mr. YATES. Okay.

Ms. HARJO. It is a grisly subject. This also came up in the context of TVA Teleco Dam where all the white and black bodies that were exhumed were reburied according to the wishes of family and the local communities. The Indian bodies were declared the archeological resources of the United States and taken to the University of Tennessee base where they remain today being studied.

They are as old as Sequoia and older and as recent as cousins and brothers and sisters of living people today, Cherokee people. It is a disgrace.

Mr. YATES. What have you done with TVA?

Ms. HARJO. TVA, there was a lawsuit against TVA and the Indian position did not prevail.

Mr. YATES. Why did it not?

Ms. HARJO. It did not prevail because Congress has declared that Indian remains are the archeological resources of the United States.

Mr. YATES. Is that to protect them?

Ms. HARJO. I don't call——

Mr. YATES. I wonder whether or not the purpose of that law was to protect them really rather than disgrace them or make them relics.

Ms. HARJO. The purpose of the law in the first instance was for the benefit of the archeologists, anthropologists and scientific communities to examine the remains of people they consider lesser peoples.

Mr. YATES. Is it lesser peoples or prehistoric people, Suzan, really, for anthropologic reasons?

Ms. HARJO. In order to talk about prehistory, it depends on whose perspective you are gaging the start of history from. From our perspective this is history and not prehistory. I understand the point you are making but there is no distinction in law between 50,000 year old remains and the body of my great grandfather.

Mr. YATES. What happened to the body of your great grandfather?

Ms. HARJO. It was dug up by grave diggers and his burial clothes sold to a museum.

I really hope you can do something.

Mr. YATES. As you point out, I was going to say an interesting point, but that seems like such an inadequate word to describe it. I never really considered it before because I have seen fabrics from Indians that were dug up in South America from the Peru civilization, Pre-Columbian fabrics, I am sure were from Indian peoples. Of course, they are marvellous, they are beautiful fabrics, the weavings of these Pre-Columbian Peruvian Indians were just incredibly beautiful.

It suddenly occurs to me, of course, these are grave robbers that dug it up just as they dug up some of the Pre-Columbian ceramic objects and a number of the other objects.

Well, you raise a very interesting point and I don't know the answer to it at this moment, except I am most sympathetic to what you are saying.

Ms. HARJO. I will flood you with material on this even though it is a grisly subject to deal with.

Mr. YATES. Fascinating. What has the Smithsonian told you? Who did you talk to at the Smithsonian?

Ms. HARJO. Just about everyone from bottom to top or top to bottom. We have about a year-and-a-half of letters about that thick which I won't send to you and the Smithsonian basically gives no quarter at this time.

Mr. YATES. Well, we will see whether they give you a quarter.

Ms. HARJO. Which brings me to my next subject.

Mr. YATES. I should talk to you about this issue. We are so limited in time. We are 20 minutes behind at the present time. Can you and I talk in my office and put your statement in the record?

Ms. HARJO. Absolutely. I don't want to take up more time from other people.

Mr. YATES. That is right. I appreciate that. You happen to be in Washington most of the time.

Ms. HARJO. Right.

Mr. YATES. Summarize your statement in two sentences.

Ms. HARJO. Very briefly we are in the Gramm-Rudman law, and we should be out and we should be out for historical reasons. We have given more than our fair share. We gave at the oceans, at the river banks and we gave on the plains and we are still giving today, and we are at the bottom of the heap and we should not be there.

We want particular things stopped and for the Administration's budget policy to stop driving Indian policy which is what it is doing and it is driving us to early deaths and to ill health and to backslide in education and we are in dire circumstances and need, and you know this as well as anyone in this room and better than anyone on the Hill and we thank you for what you have done in the past.

We have laid out specifically what we want. We will, of course, be working with staff to try to achieve that and we will meet separately.

Mr. YATES. Okay. Thank you Suzan.

[The statement of Ms. Harjo follows:]

STATEMENT OF SUSAN SHOWN HARJO, EXECUTIVE DIRECTOR, NATIONAL CONGRESS OF AMERICAN INDIANS, FOR FY1987 INTERIOR AND RELATED AGENCIES BUDGET, HEARING BEFORE THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE, MARCH 6, 1986, WASHINGTON, D.C.

Mr. Chairman and Members of the Committee, thank you for the opportunity to appear before you today. Once again, the National Congress of American Indians appears before you to express our views and make recommendations regarding inequities in another Presidential budget proposal. And, once again, we are compelled to provide a policy context within which this or any budget proposal must be viewed, if Congress intends to maintain an Indian policy of upholding its constitutional agreements and assuring Indian survival. In developing the FY1987 budget proposal, the Administration again has failed to take into account the history and U.S. Indian policy backdrop against which specific budgetary actions must be viewed and taken.

Indian and Native nations gave up a vast territory, over which the United States governs and from which its citizenry derives great benefit, in exchange for health and education and other socially beneficial programs and services, and in exchange for U.S. protection against encroachment by the states and people regarding our tangible and intangible rights and resources. These exchanges - some through treaties, some through Executive Orders, some through acts of Congress - were intended to stand in perpetuity. Yet, for example, the U.S. did not prohibit the theft of the sacred and gold-rich Black Hills from the Sioux Nation and other Indian nations who value that area as a religious site. To date, the U.S. has not fulfilled its promises to make the deserts bloom for Indian nations who agreed to remove their people to arid reservation land. If these promises were upheld, as well as the overriding constitutional guarantees that Indians would not be taxed and that treaties would be the "Supreme Law of the Land," Indian nations and people would be rich, rather than poor, today. If the Congress would have exercised its plenary power properly as intended with regard to the limitative and control of state involvement, rather than over the Indian tribes, and if the various Executives would have exercised the trust obligations to protect and benefit the intended Indian beneficiaries, rather than to benefit itself, its agents, its railroads, its ranchers, its landbarons, its energy industries and the Fortune 500, Indian and Native nations and people would not be in the dire circumstance of need today.

NCAI and the entire Indian community is part of the rising tide of opposition to the Gramm-Rudman-Hollings law and the Administration's proposal to meet the FY1987 deficit goals. Our view is that there should be no more cuts in Indian programs.

NCAI would support cutting the defense budget and enacting a tax reform bill which generates revenue as an approach to reducing the deficit. We take heart in what appears to be a forming consensus on the protection of domestic programs and reduction of the defense budget. It is patently unfair for the defense budget to be built up every year and for poor people in this country to pay with it by going uneducated, with poor health, with inadequate law enforcement and with high unemployment.

NON-BIA/IHS BUDGET CONCERNS - Listed below are some of our specific concerns regarding the Bureau of Indian Affairs and Indian Health Service proposed FY1987 budgets. We have attached to our testimony a statement regarding areas outside the IHS and BIA budgets which also affect Indian people, and we urge the members of this Committee to be vigilent for Indian concerns in these areas at full Committee consideration. The areas included in our attached statement are: oil and gas royalty investigations underway by this subcommittee, Nuclear Waste Policy Act, Housing, Solar Bank Program, Farmers Home Administration, Legal Services Corporation, Job Training Partnership Act, Historic/Cultural Preservation, Tribal Archives Development, Environmental Protection Agency, Department of Defense Contracting, Library Services, General Revenue Sharing, the Smithsonian and Vocational Rehabilitation.

HEALTH - With regard to Indian health funding matters, we join with the National Indian Health Board in submitting a separate statement of concern and need, and urge the

Committee to continue its active oversight regarding the Indian Health Service budget and related funding.

LITIGATION SUPPORT - Generally, the FY1987 budget proposals pose an inequitable burden on the Indian governments and people, especially in light of the guaranteed distinctiveness in the budget process, the unfilfilled promises and need to make up for lost time and opportunity, the standing as the population in America on the bottom of every known socio-economic indicator and in light of the modern pressures in litigation, resource management and increased governmental authorities and services. The BIA proposed budget would decrease by significant amounts the funding for litigation support and attorney fees, and would not increase to meet the rising need for funds for water rights negotiation/litigation, unresolved rights issues and hunting and fishing rights. There is no apparent recognition of the tribal needs involved in the recently signed U.S.-Canada Pacific Salmon Treaty, which have been called to the Administration's attention in public sessions for nearly one year. We urge Congress to reject the Administration's proposals in these areas and to adequately fund these pressing needs for FY1987. Additionally, the BIA now is restricting attorney fees to $70 per hour in connection with ongoing water litigation and settlement efforts, while attorneys on the opposing sides are receiving nearly twice that amount. We are aware of this limitation on the attorneys for the tribes involved in the San Luis Rey water rights settlement efforts, despite the fact that the BIA has permitted a $125-hourly fee for several years. We urge the Committee to examine the practices and internal directives regarding attorney fees. We would also like to point out that in the Big Horn Water Settlement negotiations, the tribes are negotiating but having to pay both attorney fees and expert witness fees. In litigation, all such costs would be payable by the BIA, but in negotiation no such fees are paid by the BIA. The BIA says that their policy is to promote negotiation, but in this case the costs to the tribes definitely inhibit negotiation.

INDIRECT COSTS - The BIA is requesting an increase of $5.6 million for indirect costs for new contracts, for a total of $7.5 million, and we support that request. This will not meet the shortfall in indirect costs, however, and we support the language in the House draft legislation amending P.L. 93-638 which would require IHS and BIA to inform Congress twice a year of any actual difference between budget requests for indirect costs and the actual, estimated need as based on approved contracts. The annual budget justification submitted in January and a supplemental report in July would require notification in Congress of any definciency of funds requrested below the actual need. To the extent that the Appropriations bills and accompanying reports also can extract this information from the BIA and IHS, we support this approach as well. We fear that many tribes will be forced to retrocede programs, due to inadequate indirect cost monies. This would be contrary to our resolve to strengthen tribal governments and also runs counter to the President's Indian Policy Statement which is based on self-determination and government-to-government relationships.

JOHNSON O'MALLEY PROGRAM - The Administration has set itself up for another big battle on the J'OM program, with its proposal to fold it into the Department of Education's Title IV or Indian Education Act program. NCAI strongly opposes this transfer for the basic reasons that these are two distinct programs and that the J'OM program is contracted by tribes, whereas the Title IV program is run by the states. Under the proposal, J'OM monies would bypass the tribes and go to the state education agencies. The BIA budget justification says that the legislation to be proposed by the Administration will propose to utilize local parent committees, but we do not know whether they would have the clout that they currently have under the J'OM program.

We urge this Committee to reject any legislation which would transfer the J'OM program to the Department of Education's Title IV program. The FY1987 budget justification indicates that the J'OM and Title IV programs combined are proposed to have the same appropriation in FY1987 as FY1986. We would like to point out, however, that in FY1986 the J'OM program was dealt a low blow by the BIA's assertion to the Appropriations Appropriation Committee then deducted this $5.6 million from what was to be the FY1986 appropriation, taking it down to $23 million (compared to $28.6 million in FY1985). In fact, there were no carry-over monies. Because J'OM is not forward funded, schools often do not get their J'OM funds until well into the school year, as opposed to education programs in the Department of Education whose funding levels are known for a year in advance. As a consequence, schools retained some FY1985 funds for instance, so they can have J'OM programs when school began in the fall of 1986. Otherwise, come October 1, the programs would have to stop for several months until they receive their first payment of the current fiscal year. This has been the practice for years, and we are most disturbed about the underhanded manner in which this money was deleted last year. We request that when you look at the FY1986 appropriation of $22,053,000, which includes $2,453,000 for contract support, that you add back the $5.6 million unfairly taken away last year. The FY1986 base really should be $27.6 million.

ADVANCED FUNDING FOR INDIAN EDUCATION - While most federal education programs are forward funded, BIA education programs are not. Even though the Indian Education Amendments of 1984 and 1985 and the Tribally Controlled Community Colleges Act Amendments of 1984 provide authority for forward and advanced funding, the BIA and Congress have not seen fit to implement these aspects of the law. While forward funding would require a double authorization in FY1987, advanced funding would not have any authorization or outlay implications. There is no reason, even in this year of Gramm-Rudman-Hollings to not implement advance funding, so that Indian schools can know a year in advance how to plan their educational programs.

TRIBALLY-CONTROLLED COLLEGES - The Administration is proposing to reduce the tribal college appropriation by $432,000 from its FY1986 level. Once again, we are at odds with the BIA regarding the student count upon which the colleges' appropriations are based. The BIA's FY1987 budget would provide $2,242 per FTE, using the colleges' reliable FTE estimate of 3,100. We support an appropriation of $9.6 million which would provide $3,000 per FTE. The tribal colleges funding per FTE has been decreasing since FY1981 when they received $3,100 per FTE.

We are taken aback by the narrative in the BIA budget justification which proposes to reduce the colleges' student count for funding purposes by 15% on the grounds that there are students in attendance with less than C averages, students without high school diplomas or who have a certain absenteeism rate. Tribal colleges, like community colleges elsewhere, are required to meet accreditation and candidacy requirements. Of the 19 tribal colleges, seven are fully accredited and seven have achieved candidacy status. These colleges have probation status for their students and students must meet standards to stay in school. Tribal colleges, with good reason, do not have it as a mission to get students through a four-year degree program in four years. Their students are older than the general college population, with most having family responsibilities. The purpose of tribal colleges is education of Indian people in a context that will benefit not only the student but the future of the tribe. The colleges are a real source of accomplishment and hope in Indian country, the proposals to reduce the student count by 15% , and therefore the funding for the colleges, are counter-productive to say the least.

INDIAN SCHOOL EQUALIZATION FORMULA (ISEP) - The Administration is proposing a $2.7 million reduction in this program based on less needs for residential programs related to the opening of the Hopi High School, tightening up criteria for participation in the BIA's bilingual and Intensive Residential Guidance program and conversion of the Pinon Boarding school to a peripheral dormitory. It is not clear from the budget justification just how or why BIA feels a need to restrict participation in the bilingual and Intensive Residential Guidance program and we would ask that the Committee look closely at this matter. Further, the BIA has not finalized regulations regarding bilingual and guidance programs eligibility. NCAI certainly knows of nothing to indicate that we are fulfilling Indian students' needs either in terms of bilingual education or guidance, and we oppose this proposed reduction.

EDUCATION STANDARDS - The Administration is proposing to reduce implementation funds for the educational standards regulations published in September, 1985 from $1.5 million in FY1986 to $300,000 in FY1987. The budget justification said the FY1986 monies were basically for staffing adjustments and purchase of books, periodicals and media equipment. We request that the Committee have assurance that the FY1986 monies are indeed sufficient for the implementation of the regulations.

SCHOOL CONSTRUCTION - The Administration proposes no money for school construction, even though schools on the priority list which have completed their planning and design have needed construction costs of $15.5 million. We support an appropriation to meet those needs. The BIA is proposing only repair and maintenance funds for schools.

GRADUATE STUDENT SCHOLARSHIPS - The BIA is proposing to eliminate its graduate student scholarship program which was funded at $1.9 million in FY1986. The budget justification says they are "consolidating" it with the fellowship program currently operated in the Department of Education's Title IV (Indian Education Act) program, although clearly the only money being proposed is the portion for the Title IV program. With the growth of the tribal colleges, more Indian students are pursuing graduate degrees and sufficient funds are need for them. More graduate education is needed if American Indian and Alaska Native governments are to obtain the trained professionals needed to develop their local economies and obtain self-sufficiency.

GENERAL WELFARE ASSISTANCE GRANTS - We are pleased to see a proposed $3.8 million increase in the General Assistance Program, and would support an expansion in the pilot project now in place at Turtle Mountain, Sisseton and Pine Ridge, where eligible tribal college students are able to receive general assistance. This is the real way to break the cycle of poverty. To penalize Indian students attending college, most of whom are older than the general college population and have families of their own, by withholding assistance simply reinforces the conditions which lead to unemployment and the need for government support.

We note that the BIA budget justification estimates child welfare assistance grants will drop from $3,000 to $2,936 per month in FY1987, hence projecting an increase of per unit payments from $409 to $418 per month in FY1987. We ask the committee to look into how these projections were calculated.

INDIAN CHILD WELFARE ACT GRANTS/ALASKA - The Administration is requesting a large decrease in this program - $2.7 million - and intends to terminate grants to urban organizations and to Alaska Natives. NCAI supports funding for urban Indian programs, and rejects the callous notion that the trust responsibility extends to only those Indian and Native people residing on reservations. The U.S. government, after all, has encouraged the movement of Indian people to cities. This policy was doomed from the federal government's perspective of hope-for assimilation and from the Indians' perspective of hoped-for prosperity.

The BIA budget justification cites "the improvement in Native economic status" and improved Bureau operating efficiencies as reasons for eliminating or reducing by $12 million a variety of programs for Alaska Natives. We would ask this Committee to challenge the BIA on these statements. It is common knowledge that relatively few Alaska Natives have realized any increase in economic status due to the Alaska Claims Settlement Act. Most Native people live in rural areas, do not have a cash economy and live a basically traditional subsistance life style. And, given the current decline in the oil industry, Alaska Natives are likely to experience even more financial hardships. As far as improved BIA operations, the distances in Alaska have made and will continue to make efficient operations very difficult. In response to the BIA contention that the state is taking over education of Natives, it is true that the Bureau schools now have converted to public schools, but it is still federal money in the form of Title IV, Impact Aid and Johnson O'Malley funds which run the education system.

DISCRIMINATION AGAINST INDIAN CHILDREN IN GRAMM-RUDMAN LAW - Under the Gramm-Rudman-Hollings law, certain social programs including Aid to Families with Dependent Children, were protected from across-the-board cuts pursuant to that law. However, the equivalent programs operated on behalf of Indian children by the BIA were not protected. Indian child welfare grant programs, which assist neglected and sexually-and physically-abused children, will suffer cuts while similar programs which serve non-Indian children will be protected from across-the-board reductions. We favor protection for both Indian and non-Indian children, and urge you to help bring equity to this important matter.

ALASKA NATIVE FUNDING - NCAI is vitally concerned about the President's proposed budget to reduce Alaska Native funding by 40%. We view this as a clear Administration intent to revert to the failed policies of the 1950s and to attempt to terminate Alaska Native governments and people. Alaska Natives and their entities are tribes. The United States in a treaty with Russia promised to recognize the tribes the same as they recognize the tribes in continental United States. The Alaska Native Land Claims was a settlement of aboriginal claims, not a termination bill. The United States has a responsibility to Alaska Natives until and unless expressly abrogated by Congress. The Administration must abide by the policy established by Congress and has no powers to implement policy, but is presuming this power through the budgetary process. We urge Congress Congress to restore the funds for services established for Alaska Natives, and to exercise oversight regarding policy implementation.

NCAI FUND SUPPORT FROM THE BIA - As the Committee is aware, the BIA has provided $175,000 in each of the past two years to the NCAI Fund to support general operations and to fund certain policy analysis and information dissemination functions. We reported to the Senate Select Committee on Indian Affairs in our statement on the confirmation of Interior Assistant Secretary Ross O. Swimmer the rumors that NCAI was not a favored organization and would not be funded. At that time, we were operating on a grant extension, from October 1985 to December 1985, in the amount of $12,000 per month while awaiting word on our FY1986 proposal. In January of this year, we were informed that we would receive an additional $12,000 per month for the months of January and February, but that our proposed FY1986 funding had been denied. In February, to add insult to injury, we were informed by the Office of the Inspector General that the BIA had called a special audit of our grant for the years 1984 and 1985. On February 11, the Assistant Secretary stated that he had not called for the audit, so we are at a loss to know the origin or the purpose of this special scrutiny. We also should point out that the BIA seldom has complied with the Prompt Payment Act in making payments to the NCAI Fund in connection with this grant, in that it has not paid cost-reimbursable vouchers within the required 30 days and has not paid interest on delayed payments, causing considerable hardship for the financial management of the NCAI Fund. We ask the Committee to recommend an earmarked appropriation for the grant purposes of the NCAI Fund and to exercise oversight regarding the purposes and conduct of the upcoming audit.

SUPPLEMENTAL STATEMENT BY SUZAN SHOWN HARJO, EXECUTIVE DIRECTOR, NATIONAL CONGRESS OF AMERICAN INDIANS, TO INTERIOR AND RELATED AGENCIES BUDGET, HEARING BEFORE HOUSE INTERIOR APPROPRIATIONS COMMITTEE, MARCH 6, 1986. STATEMENT ON NON-INDIAN HEALTH SERVICE AND BUREAU OF INDIAN AFFAIRS PROGRAMS.

NUCLEAR WASTE POLICY ACT - We urge Congress to include a specific directive and to earmark funds for the BIA to begin providing technical support to the Indian governments whose reservation and/or off-reservation lands and rights may be affected by the siting or transportation of high-level radioactive nuclear waste under the Nuclear Waste Policy Act of 1982 (NWPA). The Department of Energy (DOE), the agency with major responsibility for implementation of the NWPA, has mistakenly drawn a distinction between on-reservation and off-reservation federally-protected lands and rights. And, the BIA has failed to address key issues involved in the Interior Secretary's mandated responsibility under the NWPA to designate affected tribes. The BIA explanation to several tribal leaders for its non-involvement has been that there is a lack of specific funding for this purpose. We urge the Committee to direct the BIA to meet its obligations in the methodology and screening process that will determine the location of the nuclear waste repository, to support tribal funding by the DOE during the remaining phases of site selection, to respond to the DOE's Draft Area Review Recommendation on the second repository site, to address the taking of lands and due process issues under the NWPA and to examine the issue of whether the tribal governments have the same veto power as the states in the final site selection.

HOUSING - The Administration is proposing in its FY1986 rescission and FY1987 budgets to essentially end public and Indian housing programs. All that would remain is a small amount of emergency modernization funds. Even though the Bureau of Indian Affairs' 1984 housing inventory shows a need for 68,831 new housing units and 30,718 units in need of renovation, the Administration has proposed to end the Indian housing program in every budget since FY1982. Not only does the FY1987 budget request no new housing units in HUD's Indian housing program, but the Farmers Home Administration (FmHA) rural housing program is slated to be eliminated. Further, it is proposed that FY1986 HUD construction and most renovation funds be rescinded. Even though Congress has not ruled on the rescission request, HUD has already sent directives to its field offices to make no more FY1986 "program reservations." The Indian Health Service also proposes to rescind funds affecting housing by its request to rescind $19,456,000 of sanitation funds. Those funds would have provided sanitation facilities for 2,200 homes. No IHS sanitation funds are requested for FY1987 by the Administration.

Ironically, the FmHA budget justification says that HUD will take care of housing needs, and the IHS budget document says that while they are requesting no money for sanitation facilities they will, nevertheless, work with tribes and other agencies "to provide sanitation and safe water in Indian communities." This is buck-passing and hiding-the-ball gamesmanship at its worst, as all these agencies know that the others' budgets will not request money for Indian housing and sanitation.

The BIA is proposing that the Housing Improvement Program (HIP) be reduced by one third, from a FY1986 level of $19.8 million to a FY1987 level of $13.7 million. The BIA budget justification simply says this is part of the Administration's policy to reduce construction activities, and that the HIP program will not perform construction activities, but will be limited to repair work. NCAI opposes this proposed reduction in light of the tremendous needs both in the construction and repair of Indian homes.

The HUD proposal to implement a voucher system in lieu of housing construction is not feasible in Indian country because there virtually are no rental housing units. HUD Deputy Assistant Secretary for Public and Indian Housing, James Baugh was quoted in The Washington Post, February 8, 1986, as admitting, "Vouchers don't work at all on an Indian reservation." Yet, the voucher system is what the Administration is proposing for Indian housing.

Even though the Administration wants to have only a voucher program for public and Indian housing, it nevertheless is proposing a new system of financing housing construction. It proposes to switch from the current system of financing housing from long-term authority or sale of bonds to up-front appropriations. This financing method was widely discussed when the IRS was questioning the legality of public housing bonds to be tax exempt. Even though the IRS eventually did rule that public housing bonds are tax exempt, the Administration is still proceeding with its proposal of up-front appropriations. While direct payments for housing construction would be less expensive than long-term authority, a direct financing method would swell the HUD appropriations bill, and we doubt that this would be acceptable to Congress at this time of deficit reduction efforts. People in the private market do not pay up-front money for housing; rather it is amortized over time.

We ask that the Committee include in its recommendations that the FY1986 HUD housing and modernization rescission request be rejected, that the FY1987 HUD budget allow for continuation of at least 3,000 housing units (as contained in H.R. 1, the Housing Act of 1985), that the IHS FY1986 rescission for sanitation be rejected, that the FY1987 IHS budget contain $30,000,000 for sanitation, that the FmHA rural housing program be retained and that the HIP program be restored to at least its FY1986 level. Further, we support the provision in the pending Indian Health Care Improvement Act Amendments of 1985 which requires IHS to develop a plan and a schedule to eliminate the backlog of houses needing sanitation facilities.

Finally, we would like the Committee to support the reassignment of recalled or recaptured Indian housing units to other Indian Housing Authorities. Given the desperate need for housing in Indian country, units should not be lost when projects elsewhere prove infeasible.

SOLAR BANK PROGRAM - A program which we ask the Committee to support is the Solar Energy and Energy Conservation Bank, commonly known as the Solar Bank. The Solar Bank is a federal assistance program administered by the Department of Housing and Urban Development. Assistance is provided in the form of loan subsidies for investments in energy conservation and solar for residential, agricultural and commercial buildings. Matching grants also may be provided to very low-income households for energy conservation. The assistance is distributed through state programs, and the NCAI Fund serves as the Indian assistance coordinator. HUD treats the NCAI Fund as a state for purposes of this program. We ask the Committee to assist in gaining increased appropriations for this Indian assistance and to take appropriate steps to encourage a direct-to-tribes funding system for this assistance.

When this program was created by Congress in 1980, annual appropriations in the range of $1.5 billion were authorized. Actual appropriations have been less than 2 percent of this amount, and the FY1986 budget includes no new appropriations. We believe that Congress should increase its level of support for the Solar Bank. We note that Solar Bank assistance is only available for investments that are cost-effective, but that many low-income and moderate-income families cannot afford them, regardless of their cost-effectiveness. In Indian country, there are several thousand federally-subsidized housing units that were built with electric resistance heat as the primary heating system. Solar Bank assistance is an appropriate way to leverage private funds to lower the heating costs for these units through conservation and solar retrofit investments.

We believe that in evaluating the cost-effectiveness of the Solar Bank program, the Congress should direct attention to the high level of federal subsidies for nuclear electric power. In 1984, federal subsidies for nuclear electric, both direct and indirect, totaled more than $15.5 billion, with some significant factors not included. (See Heede, et al., The Hidden Costs of Energy: How Taxpayers Subsidize Energy Production, Center for Renewable Resources, 1985.)

FARMERS HOME ADMINISTRATION - In addition to the proposed elimination of the FmHA rural housing program mentioned in the housing portion of this statement, there are two areas of grave concern in the FmHA budget. One is the Administration's proposal to eliminate all direct farm operating loans and provide only loan guarantees. Because FmHA is the major source of credit to Indian Farmers, and because commercial credit, even with government-guaranteed loans, is not generally an option, the effect of eliminating direct loans would be the end of credit for most Indian farmers.

Another area of concern in the proposed FmHA budget is the elimination of the Tribal Land Acquisition Fund. In addition to Indian and Native governments' needs to strengthen their land bases by purchases of land, there is an increasing need for tribes to have the ability to purchase lands of Indian farmers who have been forced to sell their land in order to meet loan payments. There is an informal FmHA policy to give tribes first option to buy land when a tribal citizen is selling land in order that the land remain in trust status. Much land, both Indian and non-Indian, is being held by FmHA rather than being sold. FmHA holds the land because there is no purchaser or because they do not want to put it on the market to further depress land values.

Senator Melcher noted in a December 10, 1985, statement on the Senate floor that, in 1984, 93% of Indian-owned land was used by Indians, but this percentage plummeted to 80% in 1985. A provision authored by Senator Melcher and contained in the FY1986 Continuing Appropriations law requires an assessment of Indian agriculture needs and development of strategies to deal with the problems. We will be requesting that the assessment yield information reagarding the land which currently or potentially may lay idle due to a takeover by FmHA, or which has gone or may go out of trust status, and development of credit for Indian farmers.

LEGAL SERVICES CORPORATION - Once again, the Administration has proposed no funding for the Legal Services Corporation, which often is the only available avenue of legal representation for Indian tribes and individuals. The goal of providing specialized Indian legal services to all of the eligible population is far from complete. Many unrecognized and terminated Indian tribes, as well as some of the smaller recognized tribes, still have no meaningful access to Indian Legal Services. The existing providers are receiving virtually the same funding they received in 1981. In 1981, the LSC funding in Indian country supported 178 attorneys and tribal court advocates. The 1986 funding level is nearly the same as the 1981 level but supports only 146 attorneys and advocates. It is our position that funding should be made available to provide for at least the 1981 level of practioners.

In addition to the 33 Indian Legal Services programs, LSC funds the Indian Law Support Center, through which Indian Legal Services and other programs receive training and legal materials on substantive Indian law and legal developments, as well as back-up assistance in the form of review of pleadings and briefs, research memoranda and co-counseling in litigation. The Indian Law Support Center, which operates on a budget of only $260,000, is crucial to the Indian Legal Services programs. These programs cannot afford well-stocked law libraries, yet they have a greater need than practioners in other fields to keep up with the dynamic Indian law field.

We ask the Committee to urge the continuation of the national commitment to provide Indian legal services to all Indian and Native people, including citizens of federally-recognized tribes living on or near reservations and historic Indian territory, as well as Alaska Native and Hawaiian Native peoples. It also includes those tribes recognized by state governments, tribes which are terminated for some services but retain a special status in other areas, those tribes unlawfully terminated and unrecognized tribes who need representation to seek federal acknowledgement and recognition and whose citizens have additional legal problems caused by their uncertain status.

JOB TRAINING PARTNERSHIP ACT (JTPA) - The Administration is requesting a FY1986 rescission and a FY1987 budget reduction in both the Indian Title IV JTPA activities and the Summer Youth Program which serves Indian country youth. Proposed for rescission is $725,000 in the Title IV program and $3.8 million for the Summer Youth Program. The combination of the FY1986 Gramm-Rudman-Hollings sequestration, the FY1986 rescission request and the $1.1-million reduction in the FY1986 appropriations compared to the FY1985 amount, add up to a 41% drop in funding for the Summer Youth Program in just one year. The proposal for FY1987 Indian Title IV JTPA activities is $60.1 million, down from $62.2 million appropriated in FY1986 (pre-Gramm-Rudman-Hollings.)

The JTPA Summer Youth Program, in addition to its primary mission of training youth for productive jobs, also is an important element in helping youth live lives free of substance abuse, a subject of particular interest to NCAI. This Committee is well aware of the high level of unemployment and need for job training and job experience in Indian country. While national unemployment rates have dropped during this decade, Indian unemployment is on the rise. The Joint Economic Committee has estimated that a 1% increase in the national unemployment rate results in a 1.9% increase in deaths from cirrhosis of the liver, a 4.1% increase in suicides, a 5.7% increase in homicides and a 4% increase in state prison admissions. The national unemployment rate dropped 27% from 1982 to 1985, but the Indian unemployment rate rose 7% during the same period, according to Department of Labor and Bureau of Indian Affairs statistics. Now is not the time to decrease programs designed to train people for employment.

DEPARMENT OF DEFENSE CONTRACTING - The Secretary of Defense has had the discretionary authority for several years to contract with Indian tribes and business on an Indian-preference basis. However, there has been only one contract entered into under this authority which has been a part of each appropriation since FY1981, and each year the Department's contracting office has sought to curtail this discretionary authority. We ask the Committee to actively work with the Appropriations Committee and the Department to assure that this authority continues and that contracts result from it.

OIL AND GAS ROYALTIES - We are aware that the House Interior Appropriations Subcommittee and several other Congressional committees are looking into the matter of both on-and off-shore oil and gas leases, including those on Indian lands. As you know, there was a great deal of publicity last year regarding the situation in Oklahoma. The Oklahoma tribes have seen the situation improve in the past year with regard to payments for oil and gas leases. However, we are certain that many problems remain - both with regard to past and current practices - and bring your attention to the situation at Wind River where the Assistant Secretary for Indian Affairs dismissed the lease cancellation action filed by the Arapaho and Shoshone Tribes. This action has effectively stopped the chance for a negotiated settlement with the oil companies. NCAI will follow very closely the investigators' reports and congressional actions on the oil and gas royalty issue.

HISTORIC/CULTURAL PRESERVATION - NCAI recently has submitted comments on several Federal Register documents related to the federal programs for historic preservation and the protection of archaeological resources. In these comments, NCAI has been critical of the lack of emphasis on the roles that tribal governments should play in these programs, the lack of sensitivity to Indian religious freedom issues and the shortcomings of the cultural resources activities of the BIA. We believe there is substantial room for improvement in these important programs.

Cultural heritage is one of the basic characteristics of Indian and Alaska Native communities that sets them apart from the dominant society in the United States and from the many minority ethnic groups whose cultural roots are in other continents. "Culture" means the way a group of people live and how they use the resources of their environment to provide for their basic needs, as well as how they understand their religious relationships. Preservation of tribal cultural heritage is one of the basic rights that Indian Nations bargained for when they entered into treaties. This is a basic reason that Indian Nations have long resisted efforts to make them give up their lifeways and become absorbed by the dominant society. The desire to preserve traditional culture and to live as distinct tribal communities has been a key factor in the development of the legal doctrine of tribal sovereignty.

One of the most important changes in the federal program would be to begin making grants to tribal governments to bring them into a participatory role in the federal program. There is a provision in the 1980 amendments to the National Historic Preservation Act that authorizes the Secretary of the Interior to make such grants to tribes, for "the preservation of their cultural heritage." The Cultural Conservation report to Congress recommended funding for this provision. It is long past time to begin making these grants. After all, the main reason that state historic preservation programs are now so well-established is that they have had almost two decades of federal grant money. Tribes cannot be expected to assume a major role in the federal historic preservation program without some substantial financial support from the federal government.

We recommend that the National Park Service be directed to set aside 10%, or approximately $2 million, from the appropriations for the Historic Preservation Fund for grants to tribal governments and intertribal organizations. We also recommend that the BIA be directed to hire a qualified "Preservation Officer" in its Central Office. We note that the BIA is requesting in its FY1987 budget proposal an additional $100,000 for its archaeological clearances program, some of which is earmarked for the Central Office. Possibly this is for the hiring of an archaeologist who will serve as the Bureau's "Preservation Officer." We believe that this position should be filled by an Indian cultural anthropologist.

SMITHSONIAN - We would also like to let the Committee know of our great objections to the Smithsonian Institution's collection of 14,000 American Indian skeletons (which does not include the unknown number from Alaska). To have people removed from their burial sites is a grievous violation of Indian religious beliefs, and to add insult to injury the Smithsonian has several hundred Indian human remains on display on the second floor of the Natural History Museum. We believe that Congress should be concerned about the actions of our national museum system. Ninety percent of the Smithsonian's administrative funds are federal. The money would be much better spend by having exhibits which are respectful of Indian culture, which allow the museums to reamin open during evening hours and which would correct the life-threatening PCB problems in their museums.

TRIBAL ARCHIVES DEVELOPMENT - We urge the Committee to recommend continued funding for the National Historical Publications and Records Commission (NHPRC) generally, and for a continued emphasis on the development of tribal archives and records management projects. The NHPRC has taken important steps toward funding tribal archives and toward eliminating burdensome guidelines which have precluded full participation by Indian and Native governments and organizations. We commend these efforts and urge the Committee to communicate with the Appropriations Subcommittee on Treasury, Postal Service and General Government regarding the need to fully involve Indian tribes in the programs of the NHPRC and to make tribal archives development a funding priority. NCAI is asking that the NHPRC provide support to the NCAI Fund for the first National Conference on Tribal Archives, to be held in conjunction with the 43rd Annual NCAI Convention in Phoenix, Arizona, in late September, and we ask for the Committee's endorsement of this request.

ENVIRONMENTAL PROTECTION AGENCY - We urge the Committee to support an earmarked appropriation in the Environmental Protection Agency (EPA) for Indian and Native governments. After 13 years, the EPA finally established an American Indian Policy, in November of 1984. However, EPA did not ask Congress for an appropriation for tribal governments for FY1986 or for FY1987. The federally-recognized tribal governments have jurisdiction over nearly 50 million acres, or more than three percent, of the nation's land base. Tribal governments also have jurisdiction over 43,410,186 acres of rangeland and forests, 1,829,118 acres of dry farmland, 917,580 acres of irrigation farmland, 913,000 acres of water reservoirs and lakes, 45,352 reservoirs and impoundments, 3,199 natural lakes and ponds and 12,000 miles of perennial streams. Tribal residential and economic developments, including increased minerals extraction activities, require tribal governmental capabilities to protect their environments. Appropriations targeted for Indian tribes to begin implementing environmental programs in FY1986 are needed for EPA central/regional office staff, technical assistance, a nationwide needs assessment and model or demonstration program activities estimated at $8 million. Additionally, the Department of the Interior has identified more than 20 hazardous waste sites on Indian land, at least three of which are in urgent need of an immediate clean-up process. Thus far, only one of these has been addressed. American Indian tribes as federally-recognized governments with jurisdictional responsibilities in Indian country deserve environmental protection support equal to the rest of the nation. We seek your assistance in securing EPA appropriations for tribes, who have increasing needs and who have been the environmental conscience of America.

LIBRARY SERVICES - Libraries in Indian country are few and far between. Even at the tribal colleges, the library resources are far from adequate. One impediment to tribal colleges obtaining full accreditation is the need for development of adequate libraries. We were very pleased when the Library and Services Construction Act was signed into law in 1984, and included set-aside funding for tribal governments. That was a crucial foot in the door for development of library services in Indian country. We ask you to reject the Administration's proposal for termination of library services and construction, and to protect these programs which are of such potential importance to Indian and Native people.

GENERAL REVENUE SHARING - We request that the FY1987 Budget Resolution contain authority for this program to be funded at its FY1986 level of $4.6 billion. These funds, which go to counties and localities, are particularly useful to Indian communities because they can be spent according to the priorities set by the community members. While there are reasonable requirements regarding eligibility for the funds, the program has the advantage of not diluting its funds with excessive administrative requirements.

VOCATIONAL REHABILITATION - The Administration is proposing to rescind $715,000 or 50% of the FY1986 funds for Indian tribes in the Vocational Rehabilitation Program. The Administration's FY1987 request for the Indian portion of this program is $715,000. However, the incidence of disabling conditions among American Indians and Alaska Natives is one and one-half times greater than the rest of the population. The current Vocational Rehabilitation law authorizes up to 1% of its funds for tribes. If this authority for tribal funding was used, tribes would be receiving about $10 million, instead of the $715,000 they received in FY1985 and $1.5 million in FY1986 (which is now proposed for a 50% rescission). Only three tribes have vocational rehabilitation programs - Navajo, Rocky Boy and Yakima. We ask the Committee to reject the proposed FY1986 rescission and to earmark at least 1% of the overall vocational rehabilitation program for Indian and Alaska Native tribes.

THURSDAY, MARCH 6, 1986.

EMPLOYMENT

WITNESS

ALLEN WHITE LIGHTNING, UNITED SIOUX TRIBES

Mr. YATES. United Sioux Tribe, Mr. Skye.

You are Mr. White Lightning?

Mr. WHITE LIGHTNING. Yes, I am.

Mr. YATES. Rather than Mr. Skye. Your statement may be made part of the record. Do you have a statement?

Mr. WHITE LIGHTNING. We had a statement telefaxed in.

My name is Allen White Lightning. I am here representing Mr. Clarence Skye. I have Ms. Harriot Skye who is with the National Tribal Chairmen's Association, and I am also representing Charles Murphy who is the Chairman of the Aberdeen Tribal Chairmen's Association of North and South Dakota and Nebraska.

I will be very brief as the testimony has already been made part of the record.

Mr. YATES. The committee acknowledges its appreciation for that comment.

Mr. WHITE LIGHTNING. Thank you. I am going to address the Bureau of Indian Affairs.

One of the areas that we are very concerned with is indirect cost. The indirect cost is creating a tremendous amount of problems for us. We feel that in the resolutions we have passed through the Aberdeen Area Tribal Chairmen's Association, through the National Congress of American Indians and also through the National Tribal Chairmen's Association, NTCA, that a separate office of management and budget circular be established to address Indian tribes alone on the indirect cost issue.

At the present time, we are being lumped together with municipalities and States and other counties, for example, and it is a very different issue that I think needs to be addressed by the committee at some point. I would also like to indicate that the Aberdeen Area Tribal Chairmen's Association and the United Sioux Tribes do support the continued funding of the direct employment program for the United Sioux Tribes.

We recommend a budget item for $250,000 as they do serve the major cities in the State of South Dakota. We have addressed the indirect cost issue.

The Aberdeen Area Tribal Chairmen's Association and the United Sioux Tribe does support the opposition for the transfer of the Johnson O'Malley program from the Bureau to the Department of Education.

In the area of agriculture, many Indian cattle operators are going down as a result of the situation that has covered every one throughout the Nation. The Aberdeen Indian cattlemen are facing severe weather situations and as a result, we have the hay program that came about. However, we do recommend three changes. That a joint interagency Indian agricultural committee be established; that also, number two, create an agricultural department within the Bureau of Indian Affairs; and three, transfer the administration of all FHA loans for Indian cattle operations to the Bureau of Indian Affairs.

One of the major areas that the majority of the tribes are along the Missouri River. We have a continuous planning that Standing Rock Sioux Tribe has brought to your attention in the past relative to the McKernan Amendment. The Aberdeen Tribal Chairmen's Association has passed a resolution stating they would like to have the McKernon Amendment amended to indicate that Indian water rights be adjudicated in Federal court.

That is an action that has been brought before the association and the United Sioux Tribes and been passed.

Mr. YATES. Have you talked to Mr. Udall about this?

Mr. WHITE LIGHTNING. I have a meeting scheduled with Secretary Hodel and Secretary Swimmer on the 12th, along with Congressman Udall. We have a meeting with Chairman Miller and Congressman Dorgan relative to the Garrison diversion and hopefully we would have these particulars attached to the legislation.

This is not the area for the committee to address. However, the area of Tribal Chairmen's Association and the United Sioux Tribes are very, very concerned on Indian housing issues.

The Secretary of HUD issue that 30 percent of individual salaries been attached to rent and we are asking they be reduced to 15 percent, if necessary.

In the area of Indian Health Service, we realize this is one of the very vital services that are on our reservations that we have been hit by the Gramm-Rudman-Hollings Act. We are requesting that the Bureau of Indian Affairs be exempt across-the-board along with the Indian Health Service. This is, in short, part of it.

However, one major thing we would also like to suggest for your consideration is we would suggest a support from this committee for an Indian Recovery Improvement Act which would bring about new changes in a further development of Indian tribes with adequate funding. Significant improvements could occur economically and socially for Indian tribes. We suggest maybe that consideration should be given.

Also, in closing, Mr. Chairman, we are encouraging the funding of Community College Act and we do support the testimony of Ms. Windy Boy and Title I also, and we encourage continuing support of the Indian program at the $280,000 level that was requested.

Mr. YATES. Good. Thank you very much. Thank you.

[The statement of Mr. White Lightning follows:]

UNITED SIOUX TRIBES OF SOUTH DAKOTA
Development Corporation
P.O. Box 1193, Pierre, S.D. 57501

Executive Director	224-[illegible]
Personnel Management	224-[illegible]
Employment Program	224-[illegible]
Employment Program	224-[illegible]
Land Management	224-[illegible]
Business Office	224-[illegible]
CETA	224-[illegible]

- Standing Rock
- Lower Brule
- Devils Lake
- Flandreau
- Rosebud
- Santee
- Crow Creek
- Pine Ridge
- Cheyenne
- Sisseton
- Yankton

Field Offices:

Aberdeen	225-0813
Rapid City	343-1100
Sioux Falls	339-0246

TESTIMONY TO

HOUSE OF REPRESENTATIVES

COMMITTEE ON APPROPRIATIONS

March 6, 1986

Submitted By:

Aberdeen Area Tribal Chairmen's Association
and
United Sioux Tribes

HOUSE OF REPRESENTATIVES
COMMITTEE ON APPROPRIATIONS

I, Charlie Murphy, Chairman of the Aberdeen Area Tribal Chairmen, and Clarence Skye, Executive Director of the United Sioux Tribes of South Dakota Development Corporation, are delegated to testify before the House of Representatives, Committee on Appropriations, on several topics affecting the fifteen (15) tribes in the Aberdeen Area that we would like to present to the committee.

The last time we had an empathetic ear in the administration was under Richard Nixon. Tribes have been adapting and surviving, trying to stay flexible to meet the budget cuts and indifference reflected by the various administrations.

Tribes have been attempting to develop their economies in many different forms: Bingo, horse racing and lotteries are a few. We've been trying to seek the administration's approval and guidance on economic development projects, but are now experiencing severe budget cuts. Cutting the tribal budget is a form of motivation, but a negative one.

A perspective must be drawn on the progress that tribal governments have achieved over the last twenty years. Tribes haven't been in the business of operating programs or operating as a government for very long, compared to federal and state governments, and the expectations are too high. In no way should we be placed in the same category as municipal governments. We came from a buffalo economy to a federal form of government.

Reservations historically have had little private sector involvement. Reservations weren't designed for that reason. The Office of Economic Opportunity was a building block for tribes' service programs and it provided training for the administration of these programs. The achievement level in service programs increased as a result of this type of project. The tribal economy parallels western states' economies who also rely on federal dollars, but tribes do not have a tax based economy as state and municipal governments do. In the past, our ancestors were self-sufficient, dependent on no one except themselves.

Over the years, tribes have developed various economic development plans. These could have been the groundwork for future tribal development. Unfortunately, due to the indifference of the various administrations, little or no action and follow-up occurred. Tribes have been ready since the middle seventies to move forward on these economic development plans, but find themselves constantly reacting to budget cuts in services for their people, leaving them little time or money for implementation or follow-up of these plans. We are constantly kept off balance and find little direction or concrete support from the administration.

Public Law 93-638 was designed to make programs under Indian Health Service and the Bureau of Indian Affairs more accessible to tribes through contracting, whereas under Buy-Indian Contracting, there had to be competitive bidding. Public Law 93-638 was intended to aid tribes in becoming more independent and self-sufficient, but federal programs cannot make a tribe economically self-sufficient, especially in light of the budget cuts that have been occurring and with the Gramm-Rudman Deficit Reduction Act. Indirect cost was originally a line item in the budget which was added to these contracts so the tribe could administer programs. Now, this line item has been deleted and there has been no future financial consideration which is presently destroying not only tribal government administration, but has affected direct services as well.

Tribes have been assured over and over again in the last ten years that trimming the fat would not affect the tribal level as much as the administrative level. The facts will reveal that the most severe cuts were passed down to the reservation.

ECONOMIC GROWTH OF TRIBES

In the past, there have been several economic development efforts through legislation to attract industry to reservations. This partnership was never fully developed because the government emphasis was on contracting federal programs. The tribes believed they were planning for the future, and in reality, they were assuming federal government's responsibilities through contracts.

In order for the tribes to gain some ground and momentum, the tribal government needs to design a new plan for federal agencies demanding that certain projects and services be funded for the Indian people as these services are provided under treaties and agreements with Congress. Congress must demand that the administration carry out their trust responsibilities to tribes without destroying any tribal efforts.

The administration, by their actions or lack of it, has totally neglected the tribal government. There has not been a true carryout of government to government relationship. In Indian country, we have seen no government to government relationship on any level. Tribal governments have been treated shabbily and shamefully as if they didn't exist. The Bureau of Indian Affairs has not offered any kind of plan with any substance to bring about economic recovery.

There has been a historical fiduciary relationship between the Bureau of Indian Affairs and tribes since the late 1800's. It has not been carried out effectively. The Bureau of Indian Affairs has the responsibility to carry out this special trust on behalf of Indian people and employs a great number of personnel in doing so. They have done an adequate job at maintaining historical information, but as any federal agency, take their direction from the administration, who currently has an attitude of indifference.

When you look at these contributing factors: Young governments, the push toward contracting federal responsibility, unending budget cuts, and little direction or support from the administration, it is understandable that tribes across the country are in crisis.

BUREAU OF INDIAN AFFAIRS

In recent years, tribes in the Aberdeen Area have continuously experienced severe budget cuts. We have found that the tribal agency level receives the largest cut in services and takes the overall larger proportion of these cuts. Though 30% of the B.I.A. budget is at the tribal level, this needs to be increased, and their reimbursement system needs to be more expedient. There are cases in FY'86 where the tribe/Indian organization has waited for four months for reimbursement that normally should take 4-8 weeks. This puts an undue and unnecessary load on tribal administration. Commercial lending institutions hesitate to extend additional credit to tribal governments to meet expenses and payroll. These same lending institutions are very aware of what is happening to agriculture and assume a similar situation will occur with tribal governments who also rely on the same federal dollar.

We are requesting that the B.I.A. be exempt from the Gramm-Rudman Deficit Reduction Act because of the trust relationship with Congress based on treaties which are the law of the land. The current administration has not followed through on trust responsibility though they have claimed government to government relationships. Tribes want more contract involvement, but as of FY'86, the deletion of the contract support line item in the B.I.A. and I.H.S., programs have suffered this offset of their indirect cost by taking it from the direct services. In reality, contracts have suffered 20% and more of a budget cut before the implementation of Gramm-Rudman.

DIRECT EMPLOYMENT PROGRAM

In 1984 and 1985, the Direct Employment Program experienced delays and confusion originating from the B.I.A. This year, it was more of the same, only worse. Due to the delays and lack of action by the B.I.A. for four months, staff members had to be laid off because of the uncertainty of funding. During this four month period, we were quoted four different figures and issued a contract modification for $14,000, contrary to B.I.A. policies of issuing a memorandum to operate at 75% of the previous fiscal year. In FY'85, this program met it's contract requirements and exceeded them. It became very evident that the Area Office operated independently of Central Office which helped make this situation unclear. South Dakota has the two lowest per capita income counties in the nation (Shannon and Buffalo), both which contain reservations. The unemployment rate runs from 40%-90%. Even the State Job Service conservatively estimates Indian unemployment at five times the rate of non-Indians. Assisting Indian people who choose to leave the reservation for employment, is still a vital service in South Dakota. We request that the United Sioux Tribes Direct Employment Program be placed in the Bureau of Indian Affairs' budget for FY'87 and FY'88 as a line item appropriation of $250,000 each year. At the present time, the Bureau of Indian Affairs divides up the money at the Area Office and is making every attempt to cut us out of the budget (see attached resolution).

Budget Item.. $250,000.00

INDIRECT COST

A line item needs to be established for indirect cost. The tribal governments in Nebraska, North and South Dakota are presently having difficulty with the indirect cost program since the regulations were established for urban organizations. The Office of Management and Budget does not allow flexibility for tribal governments to seek resolution to the financial difficulties caused by the indirect cost program. The tribes, therefore, are requesting the Senate Select Committee on Indian Affairs to support hearings on indirect cost and contract support in order that applicable regulations be developed which will address Indian tribes and organizations for adequate indirect cost/contract support/administrative support as provided in Section 106(h) of P.L. 93-638 (see attached resolution).

Budget Item For I.H.S..	$12,000,000.00
Budget Item For B.I.A..	$13,000,000.00

JOHNSON O'MALLEY

The Aberdeen Area Tribal Chairmen oppose the transfer of Johnson O'Malley to the Department of Education which would eventually be transferred to states. We see this as another example of the erosion of the trust responsibility. It should remain in the Bureau of Indian Affairs.

Budget Item To Remain in B.I.A..............................	$24,000,000.00

AGRICULTURAL

Agriculture throughout the United States is in a critically depressed economic condition. On reservations, because of unique problems in financing, management, etc., the situation for Indian farmers and ranchers is even more critical.

In the Aberdeen Area, the Indian cattlemen are facing severe weather situations and most operators are experiencing a financial crisis which affects their ability to make lease payments to tribal governments. Tribal governments are heavily dependent on the economic base these cattlemen provide. We recommend three changes that need to occur immediately:

1. That a joint inter-agency Indian agricultural committee be established.
2. Create an agricultural department within the Bureau of Indian Affairs.
3. Transfer the administration of all F.H.A. loans for Indian cattle operators to the Bureau of Indian Affairs.

(See attached resolutions)

Budget Item.. $64,000,000.00

MCCARREN AMENDMENT
43-USC-666

Tribes, by virtue of their treaties, have prior and paramount rights to the use of water. States have a vested interest in water adjudication which would be a conflict in state courts. We feel that federal court is the only arena where tribes can receive impartial litigation. Therefore, we request an amendment to the McCarren Amendment that tribal water rights cases should only be litigated in federal courts (see attached resolution).

H.U.D. PROGRAM

Due to the high cost of living on the reservation, high cost of transportation, the depressed economy and high unemployment, the Aberdeen Area Tribal Chairmen's Association requests that the Secretary of H.U.D. issue a waiver of the current 25% rate used for rental charge and reduce it to 15 or 20% (see attached resolution).

INDIAN HEALTH SERVICE

Indian Health Service is one of the most vital services directly related to the well-being of Indian people and is a basic trust responsibility of the United States. For this reason, we believe Indian Health Service must be exempt from the Gramm-Rudman Deficit Act across the board, especially as Aberdeen Area receives the lowest per capita funding of the ten (10) Indian Health Service areas. The health status of Indian people reflects that in such areas as the infant mortality rate, which is twice as high as the rest of the nation, as well as the rest of the Indian nations.

The Aberdeen Area Tribal Chairmen's Association opposes any reduction of the Community Health Representative budget for '86 and '87. It is imperative that it be kept at the '85 funding level or life threatening health conditions will increase. In the Aberdeen Area, because of the isolation of our reservations, the C.H.R. performs a vital health service of education and preventive health care which would not otherwise be available. The C.H.R. Program should continue to assist the elderly on the reservations.

We need your continued support to ensure that funds are available for the construction of hospitals and medical facilities in the Aberdeen Area. These facilities are necessary in the provision of direct health services.

Budget Item For Hospitals and Clinics (Aberdeen Area).......	$30,000,000.00
Budget Item For C.H.R..	$ 3,200,000.00

OFFICE OF MANAGEMENT AND BUDGET

The Office of Management and Budget has usurped Congress' role in the government to government relationship with the tribes. O.M.B. has, in effect, minimized the special legal relationship constitutionally and as provided by treaties. We ask your help to restore our direct relationship with Congress. The tribes must be allowed to continue to make progress with their own projects and programs. We do not appreciate being considered a minority in the sense of race or numbers, but rather any consideration given us, be in respect to the treaties.

CONCLUSION

As always, the tribes need the Senate support to restore programs for Indian tribes to further their progress. Over the years, we have appeared before the Senate many times on numerous issues because we needed your help to guide the bureaucracy to bridge the gaps with the Indian world.

Presently, the Bureau of Indian Affairs has refused to provide direction to the Indian tribes and has constantly neglected to provide assistance. The Bureau of Indian Affairs and Indian Health Service have a legal responsibility to the Indian tribes to administer the trust responsibility that was spelled out by Congress in a mandate to the federal government. Today, we need the Senate to intervene with the present administration. We admire your efforts to reduce this country's deficit, but the Indian tribes have a treaty and a mandate from Congress to direct the federal bureaucracy to provide the determined amount of funds projected in the U.S. budget to assist our tribes toward social and economic self-sufficiency. The Indian Reorganization Act was only passed in 1934, providing recognition to tribal governments to form tribal councils to legislate their own affairs. We are learning, in spite of the handicaps of indifference by administration and constant budget cuts.

We won our battle over Public Law 280, which was an attempt to give law and order jurisdiction to the states. States have a very poor attitude toward Indian people and tribes, and it has only been in recent years that some states have conceded that they must work with tribal governments. In the battle to survive, the land is the tribes last strong hold. It is regrettable that the Bureau of Indian Affairs does not have capable leadership to provide effective and innovative guidance to Indian tribes today. We do not have the time anymore to blindly trust these federal agencies to act in our best interests, regardless of the legal responsibility. It has been too devastating to our well-being. We want to take the initiative to lead the administration and federal agencies in their efforts to aid us.

Therefore, the tribes in the Aberdeen Area would suggest to the Senate Select Committee that new legislation be provided, which would be called The Indian Recovery and Improvement Act of 1986. This act would bring about these new changes in the further development of Indian tribes. With adequate funding, significant improvements would occur, economically and socially, for tribes.

Budget Item for '87, '88, '89 and '90....................	$400,000,000.00

THURSDAY, MARCH 6, 1986.

FISHERIES

WITNESS

PATRICIA M. ZAKOVEC, GREAT LAKES INDIAN FISH AND WILDLIFE COMMISSION

Mr. YATES. Great Lakes Indian Fish and Wildlife Commission.

Ms. ZAKOVEC. My name is Patricia Zakovec, Mr. Chairman. I am Acting Executive Administrator for the Great Lakes Indian Fish and Wildlife Commission.

Mr. YATES. Your statement will be made part of the record.

What do you want us to do for the Commission?

Ms. ZAKOVEC. As the Commission, we have 11 tribal members at this point. Since the Commission first started, we have been operating on a budget of $1.3 million.

Mr. YATES. You are a big commission then, aren't you.

Ms. ZAKOVEC. We are a big commission, but we have consistently put in our need for approximately $2.4 million to meet the needs of our member tribes. Right now we can't fulfill our law enforcement program.

If we can get $2.4 million, we will expand and earmark approximately $900,000 of that for law enforcement. We are reaching a safety factor in northern Wisconsin because of the White decision.

Our game wardens patrol alone. We have only eight game wardens throughout the upper third of Northern Wisconsin and Michigan. Last year, there were confrontations over our spearing season.

At this point in time, I can't justify putting a warden's life on the line by sending him out there alone. I think in summation, the Great Lakes Indian Fish and Wildlife Commission must reach this minimum funding level of $2.3 million in the very near future to fully protect and enhance the treaty rights that the courts reaffirmed as belonging to the Chippewa Tribes under the Voight decision.

Because of the unavailability of necessary funding, one of the tribes belonging to the Commission is talking about pulling out. We have not been able to meet the basic needs as deemed by the tribe as necessary.

All of the Nebraska tribes have lived with promises of better services, more enforcement since the Commission was formed. We cannot do that at the funding level we are at at this time.

If this Commission is to succeed, a funding level of $2.3 million must be attained in fiscal year 1987 to make this work.

Mr. YATES. Okay. Thank you.

Ms. ZAKOVEC. Thank you.

[The statement of Ms. Zakovec follows:]

GREAT LAKES INDIAN FISH & WILDLIFE COMMISSION
P. O. Box 9 ● Odanah, WI 54861 ● 715/682-6619

Mr. Chairman, Members of the Committee:

My name is Patricia M. Zakovec, Acting Executive Administrator of the Great Lakes Indian Fish and Wildlife Commission.

On behalf of our 11 member Commission and the 11 tribal governments we represent, I wish to thank you for the opportunity to testify at this hearing today.

The Great Lakes Indian Fish and Wildlife Commission services a three state area, Minnesota, Michigan and Wisconsin and as stated in Article 11 of our constitution, the purposes of the Great Lakes Indian Fish and Wildlife Commission are:

-facilitation and coordination of inter-tribal communication in the Great Lakes in matters pertaining to the exercise of usufructuary rights.

-assistance of tribal governments in the protection, preservation, conservation and prudent use and management of fish, wildlife and plant resources.

-administration of federal programs, funds, and direction of efforts to aid and assist the federally recognized members.

-education of Indian and non-Indian professionals involved in fish and wildlife management and others in the general public also concerned with the protection, preservation and enhancement of the resources.

-provision of administrative support for and expertise and advice to tribal governments in the Great Lakes relating to the protection, preservation, enhancement and prudent use of fish, wildlife, and other resources.

-improvement of the general welfare of Indian people in the Great Lakes through educational, charitable, and fish and wildlife related activities.

A key function of all Commission staff is to continue to build ties with other local, tribal, state, or federal agencies who are also concerned with resource management and/or tribal interests as they relate to the exercise of treaty rights.

When the Commission was formed in 1982, we have consistently shown an average yearly need of 2.3 million dollars. While we have increased our yearly funding levels, we are still only at the level of 1.274 million dollars for fiscal year 1986.

At this level we cannot provide the Conservation Law Enforcement capabilities necessary over such a large geographic area.

The Great Lakes Indian Fish and Wildlife Commission is requesting 2.4 million dollars for FY 1987. Approximately $900,000 of that amount is earmarked to improve and expand our law enforcement program. Our law enforcement is undermanned, and under equipped to deal effectively over such a wide geographical area. Also there is a safety factor that can no longer be ignored. The Great Lakes Indian Fish and Wildlife Commission wardens patrol alone. This practice in itself is dangerous. There were confrontations during last year's spring spearing season with drunken and/or violent white people who opposed the spearing of fish by tribal members. We need to double our law enforcement personnel to avoid placing a single warden's life in jeopardy.

The Great Lakes Indian Fish and Wildlife Commission has proven its ability to manage a budget of 2.4 million dollars.

When the Great Lakes Indian Fish and Wildlife Commission was first being formed, we were told that it would be several years before we reached the financial funding level of the Northwest Indian Fisheries Commission and the Columbia River Inter-Tribal Fish Commission. We have been in existence and have been funded through the BIA since then and our level of funding is increasing, but, in small amounts. Example: FY 1985 at 1.270 million to FY 1986 at 1.274 million.

In summation, the Great Lakes Indian Fish and Wildlife Commission must reach a minimum funding level of 2.3 million dollars in the very near future in order to fully protect and enhance the hard won treaty rights that the courts have reaffirmed as belonging to the Chippewa tribes under the Voigt decision. Because of the unavailability of necessary funding, one of the tribes belonging to the Commission is talking about pulling out. The Great Lakes Indian Fish and Wildlife Commission cannot provide the services and law enforcement coverage to meet the needs of this tribe as they deem basic and necessary. All of the member tribes have lived with promises related to a higher funding level. Without a dramatic increase in funding in FY 87 there are going to be more tribes dissatisfied with the promises of the Great Lakes Indian Fish and Wildlife Commission. If this Commission is to succeed, a funding level of 2.3 million dollars must be attained in FY 87.

Great Lakes Indian Fish and Wildlife Commission has consistently operated through the last several years on a level of funding of approximately 50% or more, less than the actual verified need.

Again, thank you for your time.

THURSDAY, MARCH 6, 1986.

BIA

WITNESS

ROBERT BENDER, BAD RIVER BAND OF LAKE SUPERIOR TRIBE OF CHIPPEWA INDIANS

Mr. **YATES**. The Bad River Band of Lake Superior Tribe of Chippewa Indians, Does she represent you?

Mr. **BENDER**. Pardon me, Mr. Chairman?

Mr. **YATES**. Does the Great Lakes Indian Fish and Wildlife represent you?

Mr. **BENDER**. We are part of that Commission, Mr. Chairman.

Mr. **YATES**. You have something special to tell us?

Mr. **BENDER**. Yes, I do.

Mr. **YATES**. Your statement may be made part of the record.

Tell us what it is you want us to do.

Mr. **BENDER**. Thank you, Mr. Chairman.

My name is Robert Bender. I am Chairman of the Bad River Band of Lake Superior Chippewa Indians. I would like to thank you and members of the subcommittee for the opportunity to submit this testimony on behalf of my tribe regarding the BIA budget. In the area of education, the Bad River Band is formally voicing its opposition to the proposed transfer of JOM funds into the Department of Education. Transfer of JOM funds to the states through the Department of Education will not provide the same level of local participation and guidance. I think we all are aware how ineffective our education programs have become once state experts determine our needs.

In the area of Indian child welfare, we are opposed to that cut. This is a vital one to our tribe and other tribes because it is the only one that works for family preservation and the welfare of our children.

If there is no Indian child welfare program, how will we ensure the preservation of our most important tribal resource, our children?

Our reservation possesses a wide range of resources including a commercial fishery, timber, wildlife and wild rice. Our membership is dependent upon these resources for direct employment and subsistence.

At the present time, we have five large boat fishing operators out of our reservation and what we need is a craft of adequate size to monitor compliance with the rules and regulations that they have to follow.

At the present, we have nothing to help us. We are requesting $40,000 for the purpose of strengthening our enforcement for our commercial fishing ordinances and protection of travel rights through our negotiated agreements.

We have at the present time a small fish hatchery on the reservation. We would like to expand that hatchery. We would need a new hatchery instructor and additional rearing ponds. We are looking for 1,800 square foot facility and an estimated cost of $158,000.

We also need some new equipment. We would like to purchase Big Redd Systems and new Fyke nets. The Big Redd System is a new innovation which enables more production with the eggs. We are looking for new rearing ponds at a total cost of $90,000.

This would enable us to restock 150,000 walleye fingerlings and maintain the present population of this important Lake Superior game fish. In the area of our forestry, we have 56,00 acres of land managed by the BIA Forestry Program. Poor management has caused some bad under-harvest of our forest.

We are opposing the proposed reduction in the Forestry Program. It has only been programmed at $3.7 million. The Bad River Band is requesting the committee invest $93,000 to cover the cost of reforesting 250 acres and completing aspen regeneration of 1,500 acres.

Thank you, Mr. Chairman.

Mr. YATES. Thank you very much, Mr. Bender.

[The statement of Mr. Bender follows:]

Telephone:
715/[illegible]
715/[illegible]

Mashkisibi Center

BAD RIVER BAND OF LAKE SUPERIOR
TRIBE OF CHIPPEWA INDIANS
P.O. Box 39, Odanah, WI 54861

WRITTEN TESTIMONY
SUBMITTED BY MR. ROBERT BENDER
CHAIRMAN OF THE BAD RIVER BAND OF LAKE SUPERIOR CHIPPEWA
TO THE SUBCOMMITTEE ON APPROPRIATIONS
FOR INTERIOR AND RELATED AGENCIES
U. S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.
MARCH 6, 1986

SUMMARY OF NEW FUNDING ITEMS REQUESTED:

REGULATION OF COMMERCIAL FISH ACTIVITY:	$ 40,000.00
CONSTRUCTION OF A NEW FISH HATCHERY BUILDING:	$ 248,400.00
FIVE-YEAR FORESTRY DEVELOPMENT PLAN:	$ 93,750.00

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, thank you for the opportunity to submit this testimony on behalf of the Bad River Band regarding the BIA FY 1987 Budget.

The Bad River Band acknowledges the fact that the Federal Budget Deficit must be reduced, however, the Reagan Administration's attempts to place the major burden of these reductions upon our country's reservations is both unfair and economically unwise. Funding requested within this testimony is not a "Governmental Handout" but rather viewed as an investment in human capital, in our natural resources, and in our infrastructure.

INVESTMENT IN HUMAN CAPITAL

Education:

The Bad River Band is formally voicing its opposition to the proposed transfer of J.O.M. Funds into the Department of Education. ~~Since 1975, the program has placed an emphasis on meeting the specialized needs of Indian~~ children. Localized control of the J.O.M. Program has enabled our Band to place Indian Counselors into local schools while developing education programs to meet the cultural ~~needs of our~~ children. The Federal ~~Government has had a significant~~ return on its investment, by enabling ~~our tribal government to lower drop-out~~ rate~~s in Ashland County from as high as 50% to less than 15%?~~ Transfer of J.O.M. Funds to the States through the Department of Education will not provide the same level of local participation and guidance. I think we all are aware how ineffective our education programs have become once State experts determine our needs. ①

The Bad River Band is also concerned about the education of its membership through the Bureau's Adult Vocational Training and Higher Education Programs. In FY 1986, the Bad River Band was unable to fund 20% (i.e. 7) of the students applying for Adult Vocational Training Funds. The Band is attempting to revise its Direct Employment Program guidelines in an effort to free additional funds. However, an additional $10,000.00 will be needed to meet our projected FY 1987 demand.

Of the $19,311,000.00 Adult Vocational Training FY 1987 Base Funding, $12,228,000.00 should be allocated for contracting by tribes and $7,083,000.00 for allocations at Agency levels. This adjustment represents a 20% increase for tribal contracts with reductions at the Bureau's Agency level.

Proposed cuts of both Federal and State Education Programs are expected to place greater demand upon the Band's Higher Education Program. Last year 44 students received BIA Higher Education Grants as compared to an estimated 55 for FY 1987. An increase of $16,500.00 will be needed to meet this demand.

In review of the Interior's FY 1987 Budget Justifications, the Band is also recommending elimination of the Tribal/Agency Adult Education Program and reprogramming $3,543,000.00 from savings into the Higher Education Program. This would provide a 16% increase to the projected $22,554,000.00 in grant awards to Indian students.

Indian Child Welfare:

The Bad River Tribe strongly objects to the $2,710,000 cut being projected for FY 1987 for Indian Child Welfare. This program is a vital one to our tribe because it is the only one which works toward family preservation and the welfare of children. In 1982, although Indian children made up only 10% of the total number of children in the county, Indian children constituted 40% of the total out-of-home placements. In 1985, new alternate placements for Indian children has decreased to 25% out of the total alternate placements in the county even though the reservation population increased by 28% over the last five (5) years. Most importantly, all children were placed with extended family members. The county is hard-pressed to handle its current caseload and are not in a position to adequately address casework from our reservation. If there is no Indian Child Welfare Program, how will we insure the preservation of our important tribal resource, our children?

NATURAL RESOURCES

The Bad River Reservation possesses a wide range of resources, including a commercial fisheries, timber, wild rice, and wildlife. Our tribal membership is dependent upon these resources for direct employment subsistence.

Since the Band initiated its commercial fishing regulations in 1984, 215,000 pounds of lake trout and whitefish have been harvested from Lake Superior waters. Population studies compiled by the Tribal Fisheries Biologist along with catch reports have enabled the Band to monitor pressure on the resource. This data is now being utilized to formulate agreements with the State of Wisconsin and the fishing of Michigan waters.

Five large boat fishing operations are currently licensed by the tribe. Unfortunately, lack of equipment continues to hamper the Band's attempts to strengthen enforcement of its commercial fishing regulations. The Band does not have a craft of adequate size to monitor compliance with tagging requirements or insure tribal fishermen are not harvesting their catch from restricted zones, such as spawning refuges. The availability of a new enforcement craft and radio system would also allow for more effective cooperation between tribal and state wardens, thereby providing a more effective response to tribal complaints of harassment and destroyed nets. The Bad River Band is formally requesting $40,000 for the purpose of strengthening enforcement of its commercial fishing ordinances and protection of tribal rights through compliance with negotiated agreements.

Natural resources are also experiencing additional pressure due to population growth (28% since 1980) and high unemployment (54%). These conditions have forced an increasing number of our membership to become dependent upon the walleye fisheries, wild rice, and game for sources of both supplemental food and income.

In an effort to protect these resources the Bad River Band has initiated a strong comprehensive conservation program within the last four (4) years including monitoring, protection, and enhancement of the Bad River and Kakagon Sloughs. This 7,000 acre fresh water estuary has drawn national attention and has been listed in the National Registry of Natural Landmarks, which recognizes nationally significant ecological and geological features. The Band acknowledges the need to not only regulate the resource, but also monitor and enhance reproduction if possible. An aquatic vegetation analysis of Kakagon Sloughs was initiated last summer to provide information on wild rice regeneration potentials. The Band's Fish Hatchery Operation expanded enabling the restocking of approximately 1,000 7"-8" walleye.

Given the projected funding level of $45,000.00, the Band intends to purchase Big Redd Systems and new Fyke nets. The Big Redd Systems is a new technological innovation which enables eggs to be incubated with air rather than water. Incorporation of this new technology is expected to increase survival rates 77% (8% bell jar versus 85% Big Redd) and enable the Band to produce 17,000,000 fry.

A new hatchery structure and additional rearing ponds are needed at this time. Projected costs for the 1,800 sq. ft. facility are estimated at $158,400 including utilities and equipment.

Three rearing ponds were completed in FY 1985 which will enable the Band to produce 75,000 fingerlings annually. The Band is proposing to construct three additional ponds at a total cost of $90,000. This would enable the Band to restock 150,000 walleye fingerlings and maintain present populations of this important Lake Superior game fish.

The Bad River Band currently has 56,566 acres of land managed by the BIA Forestry Department. Poor management has caused significant under-harvests lowering productivity and forcing the Band to treat a backlog of 5,500 acres for timber stand improvement and reforestation. It is important to note that the Timber Stand Analysis scheduled for this summer may indicate additional acreage requiring treatment. I am therefore strongly opposing your proposed reductions in the Forestry Development Program of $3,750,000.00.

The Bad River Band is requesting the Appropriations Committee invest $93,750.00 in FY 1987 to cover the costs of reforesting 250 acres and completing aspen regeneration on 1,500 acres.

The Band's active involvement in the management of its Forestry Resource can be documented by the fact in FY 1985 the Band had only one timber sale active covering 80 acres, while in FY 1986 the Band has 4 active sales covering 300 acres. The Band is also actively seeking Bureau support for completion of a Long Range Forestry Plan including a comprehensive stand analysis. Given the reductions in Federal program funding, the Tribe will become more dependent upon stumpage revenues. The Band's tribal membership is also heavily dependent upon our tribal timber resources for house heating fuel. During FY 1986, 20 H.U.D. low rental units and 7 FmHA/H.I.P. units were completed and all 27 units utilize wood as the prime heating fuel thereby placing additional pressure to develop a Long Range Forestry Plan.

The Bad River Band currently has 46.7 miles of roads under its Maintenance Program. Based upon BIA estimates, Tribes should have $2,600 per mile budgeted. Unfortunately, this is not the case. In FY 1984 the Band had $1,078/mile allocated through its Zero Based Budget. Even though additional Zero Based Planning Funds were allocated on a tribal level, Federal Reductions in FY 1986 lowered maintenance to $717/mile.

The Band's road system is heavily utilized by Nekoosa Paper Company, Consolidated Paper Company, and American Can Corporation managing 30,700 acres within the reservation boundary. In short, while the BIA has been reducing its road maintenance funding, the roads are receiving increasing pressure.

Infrastructure improvements are also needed for the Tribe's Industrial Park including sewer main extensions and access roads. Within the last two years the Band has built two log structures with a third under construction at this time. Additional expansion is only possible with additional investments.

THURSDAY, MARCH 6, 1986.

BIA

WITNESS **WITNESS**

RICHARD GURNOE, RED CLIFF BAND OF LAKE SUPERIOR CHIPPEWAS

Mr. GURNOE. Thank you, Mr. Chairman, for allowing me to present testimony here today. I can do it in five minutes. I was practicing last night in the motel.

My name is Richard Gurnoe. I am Tribal Chairman for the Red Cliff Band of Lake Superior Chippewas. Our reservation is located in an isolated, rural area of northern Wisconsin. Our lands hug the shoreline of Lake Superior, and they are unsuitable for agricultural purposes. The reservation is quite small and cannot provide sufficient game for our people. Our only industry is fishing, and it is the mainstay of our economic survival, and has been for many hundreds of years.

Through the determination of our people, the Red Cliff Band has built up a successful commercial fishing industry over the last 15 years. The spark which ignited this enterprise came from the Supreme Court of the State of Wisconsin.

The Wisconsin Supreme Court recognized, in 1972, that Red Cliff fishermen have an implied right to fish the waters of Lake Superior by virtue of the size and shape of the reservation. The treaty which established Red Cliff created a reservation of small size and narrow dimension on lands which cannot sustain agriculture, but which lie alongside the abundant waters of Lake Superior. Such a homeland, said the Supreme Court, necessarily implies the right to fish even though the right was not expressed in the treaty.

Our people, who are tribal members, fish the waters of Lake Superior for their survival and subsistence, our commercial fishermen fish for sale to the market, and countless other tribal members supply goods and services for our commercial fishing industry. In short, the Lake Superior fishery is, for Red Cliff, our very livelihood.

Because the fishery is so significant to our tribe, the Red Cliff tribal government has sought to protect and preserve this precious resource through regulations. For example, Red Cliff tribal laws provide for a system of quotas, fish refuges, gear restrictions, closed seasons, restrictions on the number of commercial boats which may fish, and even the closure of certain areas for the benefit of non-Indian sports fishing.

We have backed up our regulations with enforcement, and we now employ four conservation wardens to see that our tribal laws are complied with and to serve as a deterrent to violations of our conservation code.

Along with our law enforcement effort and as part of our stewardship of the Lake Superior fishery, Red Cliff employs a professional biologist to monitor the fishery through sampling, assessment, surveys, fishermen's catch reports, data analysis, and exchanges of information with other Government agencies, including biologists from the state and other tribes.

Our fish management program includes not only a law enforcement component and a biology component, but also a court component. Red Cliff staffs judges and advocates to assure that a fair hearing is provided to persons accused of conservation code violations.

We are justifiably proud of our three-part conservation effort of law enforcement, fisheries biology, and conservation court. This coordinated program of fish management has enabled us to sit down as an equal bargaining partner with the state and negotiate effectively for a ten-year state/tribal fish management agreement now under consideration. We could not have participated equally in the negotiation process without the expertise which our conservation program has enabled us to develop.

We come before you today proud of our accomplishments but aware that our stewardship of the Lake Superior fishery must never cease. We are eager to get on with the job, and we ask that $313,000 be added to the Bureau of Indian Affairs budget as a separate line item for the Red Cliff Conservation Program.

Mr. YATES. Thank you.

[The statement of Mr. Gurnoe follows:]

TESTIMONY OF RICHARD GURNOE FOR APPROPRIATIONS COMMITTEE

My name is Richard Gurnoe. I am Tribal Chairman for the Red Cliff Band of Lake Superior Chippewas. Our reservation is located in an isolated, rural area of northern Wisconsin. Our lands hug the shoreline of Lake Superior, and they are unsuitable for agricultural purposes. The reservation is quite small and cannot provide sufficient game for our people. Our only industry is fishing, and it is the mainstay of our economic survival, and has been for many hundreds of years.

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We come before you today proud of our accomplishments but aware that our stewardship of the Lake Superior fishery must never cease. We are eager to get on with the job, and we ask that $313,000 be added to the Bureau of Indian Affairs budget as a separate line item for the Red Cliff Conservation Program.

THURSDAY, MARCH 6, 1986.

GRAMM-RUDMAN-HOLLINGS REDUCTIONS TO INDIAN PROGRAMS

WITNESS

DONALD ANTONE, GILA RIVER INDIAN COMMUNITY

Mr. YATES. Thank you. Now the Gila River Indian Community, Donald Antone.

Good morning, Mr. Antone.

Mr. ANTONE. Good morning.

Mr. YATES. Your statement may go into the record.

Mr. ANTONE. We are not going to take the time to read the whole thing, but I did want to raise a few special concerns that we have. Our major concerns have to do with the Gramm-Rudman Act as you have heard all morning.

Mr. YATES. I have heard it for the last six months.

Mr. ANTONE. I am sure you have. We did want to express our appreciation, also, for the support that you and the committee have given us in the past, and we again ask for your continued support.

We want to point out under the Gramm-Rudman Act the lives of all Indians in view of the unique legal and political status of the Indian tribes within the American system of governments and the firmly established government-to-government relationship between the United States and the Indian tribes.

We urge that the Bureau of Indian Affairs and the Indian Health Service be excluded from the scope of Gramm-Rudman and exempt from the impact of the proposed cuts. In the event the Gramm-Rudman is applicable to the IHS and BIA, I would urge the proposed rescission of the IHS and BIA of the 1986 appropriated funds be denied. For instance, to reduce funds from BIA child welfare service and general assistance makes no sense at all especially when the similar services provided to non-Indians have been exempt from the Gramm-Rudman Act.

Mr. YATES. Right.

Mr. ANTONE. The four major concerns that we have and I think we have testified to this prior to this has to do with the completion of our Sacaton Hospital, the funding for the staffing of the Sacaton Juvenille Rehabilitation and Detention Center, the opposition of the transfer of Johnson O'Malley programs to the Department of Education, funding for the Gila River farms which is back material for that has been submitted also to the committee, construction funds for the completion of the new Sacaton Hospital.

We urge those concerns be addressed and that continued funds be forthcoming.

There will be some additional information submitted to the committees on the added needs for the hospital having to do with the taxation that has been in operation now on the Gila River community and also the added funds that will be needed to put on staff the needed staff that will be forthcoming during the construction phase.

So those are added things we will be submitting also.

Mr. **Yates**. Fine. Thank you.

Mr. **Antone**. I will be happy to answer questions you have.

With me is my attorney, Mr. Robert Lewis. He may have something to add. No?

Mr. **Yates**. All right. Fine. Thank you very much. We appreciate you coming in.

Mr. **Antone**. Thank you.

[The statement of Mr. Antone follows:]

STATEMENT OF
DONALD R. ANTONE, SR.
GOVERNOR OF THE GILA RIVER INDIAN COMMUNITY
SACATON, ARIZONA
BEFORE THE HOUSE SUB-COMMITTEE ON INTERIOR APPROPRIATIONS
WASHINGTON, D.C.
MARCH 6, 1986

Congressman Yates, members of the Sub-Committee, and staff members, I am grateful for this opportunity to appear today on behalf of the Pima and Maricopa Indian Tribes of the Gila River Indian Community. I want to emphasize that the Community is extremely grateful for the assistance and consideration the Chairman and this Committee has extended to us in past years. I again request your continued support.

Our initial concern is the adverse impact of the Gramm-Rudman Act of 1985, P.L. 99-177 on the lives of all Indians. In view of the unique legal and political status of Indian Tribes within the American system of government, and the firmly established government-to-government relationship between the United States of American and Indian Tribes, I urge that the Bureau of Indian Affairs and the Indian Health Service be excluded from the scope of Gramm-Rudman and exempted from the impact of the proposed cuts or sequestrations. In the event that Gramm-Rudman is applicable to IHS or the BIA, I urge that any proposed recission of IHS or BIA FY 1986 appropriated funds be denied. For instance, to reduce funds for BIA Child Welfare Services and General Assistance makes no sense, especially when similar services provided to non-Indians have been exempted from Gramm-Rudman cuts.

The Community has four special concerns which I would like to bring to your attention:

1. FUNDING FOR COMPLETION OF CONSTRUCTION OF THE NEW SACATON HOSPITAL.

2. FUNDING FOR STAFFING OF THE COMPLETED SACATON JUVENILE REHABILITATION AND DETENTION CENTER.

3. OPPOSITION TO THE TRANSFER OF JOHNSON O'MALLEY PROGRAMS TO THE DEPARTMENT OF EDUCATION.

4. FUNDING FOR GILA RIVER FARMS.

1. CONSTRUCTION FUNDING FOR COMPLETION OF THE NEW SACATON HOSPITAL IS REQUESTED

Construction of the new Sacaton Hospital has been a dream of Pimas and Maricopas for many years. Since monies were first appropriated for the planning and design of the hospital in FY 1984 and for initial construction in FY 1985, I now request that sufficient construction monies be appropriated in the amount of twelve million four hundred forty six thousand dollars ($12,446,000). In addition, the Community further requests that one million three hundred thousand dollars ($1,300,000) be appropriated for housing for the staff of the new hospital. The amount needed to complete construction may have to be adjusted to take into account local taxes and additional costs resulting from the failure to complete the plans and drawings on schedule. This amount has been estimated by IHS to $180,000.

There have been many obstacles raised to prevent the construction of the hospital but they all have been overcome. The final construction plans and drawings were not completed so that the construction contract could be let on schedule in July, 1985. The construction plans are now finished, advertisement almost completed, and the bids will be opened on April 23, 1986. Because of the delays the construction contract will be finally let almost ten months late.

Completion of the Sacaton Hospital is necessary to maintain delivery of health services at its present level, especially when it appears that it is the goal of this Administration to abandon the mission of bringing health standards of Indian Tribes to a level comparable to the general population. Accordingly, I strongly oppose any attempt to rescind funds for Contract Care services and Community Health Representatives.

CHR's are the key link between IHS, and Pima and Maricopa patients facilitating the delivery of desperately needed health services. If it were not for the devotion of CHRs many patients would not be able to take advantage of the IHS and Tribal health services available.

Pimas and Maricopas are especially concerned with the effects and consequences of diabetis. The consequent ravages of this disease often leads to end stage renal disease and costly dialysis treatment. Unfortunately, the new Sacaton Hospital will not provide dialysis treatment but many preventative measures now implemented will be continued and with additional resources available in the new Hospital, a substantial step foward will be taken to control this disease.

I urge your full consideration of our request for appropriation of the balance of funds needed to finish the Sacaton Hospital.

2. FUNDING FOR STAFFING OF THE SACATON JUVENILE REHABILITATION AND DETENTION CENTER IS REQUESTED

The Sacaton Juvenile Rehabilitation and Detention Center has been completed and was ready for occupancy in October, 1985. Last year we advised the Bureau of Indian Affairs that though the building was scheduled for completion, no funds were available to operate the Center. The BIA had failed to request appropriations to staff the Center. For Fiscal Year 1986 $200,000 was appropriated but this amount was insufficient and the BIA has not yet opened this facility. The Tribe is simply not able, at this time, to allocate monies to support the Center. Therefore, the Community developed a staffing proposal which was submitted to this Committee and the BIA last year. Subsequent to last year's hearing, the BIA then drafted a more complete funding plan which calls for an annual appropriation of $495,000.

The Community needs the Rehabilitation Center not only to comply with the Juvenile Justice and Prevention Act but also because the facility used previously burned down. We were sharing a Rehabilitation Center with the Ak-Chin Indian Community but now we have converted an adult detention center for use as a temporary juvenile facility. The new Center will be able to hold approximately thirty-two (32) children at any one time.

3. RESPONSIBILITY FOR JOHNSON O'MALLEY MUST REMAIN IN THE BUREAU OF INDIAN AFFAIRS

The Community, like every Indian Tribe in the United States, is vitally concerned about the quality of education that its school age members are exposed. There is no doubt that the education offered young Indians in public schools leaves much to be desired despite the progress that has been made. Too often public schools are unaware of or choose not to meet the special and unique education needs of young Indians. Unfortunately, Pima and Maricopa students have been subjected to this apathy or hostility.

You will find attached a Resolution approved by our Community Council urging that responsibility for JOM remain within the Department of the Interior and not be transferred to the Department of Education. Funding is necessary and must be continued so that supplemental and basic educational needs may be met.

The Community contends that JOM funds are not duplicative, or wasted, but instead used efficiently contributing substantially toward the education of Pimas and Maricopas. Once the proposed transfer of responsibility is reviewed in depth, I am sure the transfer will not be allowed.

4. FUNDING FOR GILA RIVER FARMS.

Agriculture is the basis for our economy and has been since time immemorial. Our Reservation is immediately south of the greater Phoenix Metropolitan area and is comprised of approximately 372,000 acres. Approximately 266,000 acres could be farmed if there were sufficient water. Only the lack of water and capital to develop the land prevents more land from being farmed.

Gila River Farms is an enterprise of the Tribe and half of its net profits are returned to the Tribe to help support the cost of Tribal programs and operations. As many as 15,000 acres have been farmed depending on the state of the economy and availablity of water. The primary crops grown are cotton, grain, alfalfa, vegetables, and pistachio nuts. Approximately 150 Tribal members are employed on a year round basis and 50 more employees are added on a seasonal basis.

Farm operations are financed by commercial bank loans and by a Small Reclamation Projects Act loan (P.L. 84-984). To date no Congressional appropriation or BIA funds have been used to support farm operations. The Farms is a completely self-supporting operation using only Tribal funds.

The purpose of the request for funds is to utilize undeveloped land assigned to Gila River Farms, use new irrigation technology, and develop new crop varieties (guayule and new cotton varieties for use under sprinkler systems). It is further contempleted that Central Arizona Project (CAP) water will be used and water usage will be reduced by leveling lands and incorporating sprinkler systems.

The principle project features to be constructed under this are more fully set forth in the attached funding request.

Appropriations would help the Tribe increase employment opportunities, develop unused land, experiment with new crops, provide a greater return of revenue to the Tribe, and directly stimulate the economy on the Reservation.

I thank you for this opportunity to present the views of the Gila River Indian Community and if you have any questions, I shall be glad to respond.

GILA RIVER INDIAN COMMUNITY

RESOLUTION GR-20-86

A RESOLUTION OPPOSING TRANSFER OF JOHNSON O'MALLEY FUNDS AND RESPONSIBILITY FROM THE BUREAU OF INDIAN AFFAIRS TO THE DEPARTMENT OF EDUCATION.

WHEREAS, The Fiscal Year 1987 Budget, developed at the request of President Reagan, proposes transfer of funds intended specifically for the education of Indian children as authorized by the Johnson O'Malley Act of June 4, 1936, 25 U.S.C §452 (JOM), in the amount of 22.1 million dollars from the Bureau of Indian Affairs, Department of Interior to the Department of Education; and

WHEREAS, The purpose of JOM funds is to financially assist public school efforts designed to meet the specialized and unique educational needs of eligible Indian students, including programs supplemental to the regular school program and school operational support, where such support is necessary to maintain established State educational standards: and

WHEREAS, The Gila River Indian Community now receives approximately $200,000 in JOM funds and approximately $96,000 is distributed directly to Sacaton School District which should be contracted by the Community; and

WHEREAS, The proposal contemplates that the Department of Education will be responsible for Indian students in public schools and the BIA will be responsible for Indian students in BIA supported schools; and

WHEREAS, The Reagan Administration has consistently attempted to eliminate JOM monies but because Indian Tribes throughout the Country have strongly protested elimination of these funds, Congress has consistently restored JOM funds; and

WHEREAS, The transfer of JOM monies from the responsibility of the BIA, Department of Interior to the Department of Education will make it easier from this Administration to reduce JOM monies and then completely eliminate the JOM Program; and

WHEREAS, At the present time the BIA, Department of Interior contracts directly with Indian Tribes for the use of JOM monies consistent with the government to government relationship which recognizes the sovereign status of Indian Tribes; and

WHEREAS, It is doubtful that the Department of Education will contract directly with Indian Tribes for the use and distribution of JOM funds and instead will contract with State Department of Education and school districts therefore eliminating Indian control of the vitally needed JOM funds; and

WHEREAS, Prior to enactment of the Indian Self-Determination Act and revision of the regulations governing JOM funds in 1975, 25 C.F.R. Part 273, 273.1 et. seq., State Department of Educations and school districts controlled JOM funds but abused this responsibility and often diverted the funds for the education of non-Indian children, general operational support of the school district, and failed to provide for the educational needs of Indian children resulting in drastic reform of JOM regulations.

NOW THEREFORE BE IT RESOLVED that the Gila River Indian Community opposes the proposed transfer of administrative responsibility of Johnson O'Malley Programs, and Johnson O'Malley funds from the Bureau of Indian Affairs, Department of Interior to the Department of Education since the education of Indian Children will suffer, and Johnson O'Malley Programs and funds will eventually be eliminated.

BE IT FURTHER RESOLVED that the Gila River Indian Community hereby opposes any action by the current administration requesting rescission of monies appropriated by Congress for Johnson O'Malley programs in Fiscal Year 1986.

BE IT FINALLY RESOLVED that the Governor or the Lieutenant-Governor are hereby authorized to take all necessary action to inform the United States Congress and the Bureau of Indian Affairs and other interested parties of this position of the Gila River Indian Community.

CERTIFICATION

Pursuant to authority contained in Article XV, Section 1, (a) (1), (4), and (9) & Section 4 of the amended Constitution and Bylaws of the Gila River Indian Community ratified by the Tribe, January 22, 1960, and approved by the Secretary of the Interior on March 17, 1960, the foregoing Resolution was adopted this 19th day of February, 1986, at a Regular Council meeting held in District #5, Casa Blanca, Arizona, at which a quorum of 12 members were present by a vote of 12 FOR: 0 OPPOSE: 0 ABSTAIN: 4 ABSENT: 1 VACANCY.

GILA RIVER INDIAN COMMUNITY

Governor

ATTEST:

Tribal Secretary (Acting)

GILA RIVER INDIAN COMMUNITY
SACATON, AZ. 85247

ADMINISTRATIVE OFFICES
P.O. Box 97—(602) 562-3311

March 4, 1986

Senator Dennis DeConcini
328 Senate Office Building
Washington, D.C. 20510

RE: New Sacaton Hospital

Dear Senator DeConcini,

In F.Y. 1987, the following additional positions will be required to plan an orderly transition into the new Sacaton Hospital. These positions would be needed by September, 1986.

1. Maintenance Mechanic General Foreman, WS-13, $38,014.00

   Impact Statement: This position is necessary in order to continue planning for the new facility through construction and occupancy of the building. The incumbent will take the lead in monitoring the construction and will keep Key Area and Service Unit Staff advised of any problems that occur, requiring further investigation. The incumbent will become an integral part of the permanent staffing pattern for the Maintenance Department in the new facility and will be the General Foreman.

2. Support Services Supervisor, GS-09, $21,804.00

   Impact Statement: This position is necessary to carry out the tasks of ordering equipment and supplies for the new facility. The incumbent will take the lead in coordinating acquisition requirements, receipt of equipment and supplies and storage and inventory, incumbent will also develop policy and procedure manuels for supply function. This position will remain and become the Supervising Manager of the Supply Department [Central Stores].

3. Clinical Director, GS-04, $30,363.

   Impact Statement: This position is necessary to provide the leadership in developing policies and to assist in recruiting additional medical staff and other supporting clinical staff. The new hospital will have the addition of a physical therapy, radio therapy, nutrition and obstetrical department. The ambulatory care department will be expanded. The revision and development of department manuals will be necessary.

I might also add that once the hospital is constructed, we must have funds appropriated for all allocated positions. We appreciate your help in this matter.

Sincerely yours,

GILA RIVER INDIAN COMMUNITY

Donald R. Antone, Sr.
Governor

DRA,Sr.: ve

GILA RIVER INDIAN COMMUNITY
SACATON, AZ. 85247

ADMINISTRATIVE OFFICES
P.O. Box 97—(602) 562-3311

March 5, 1986

Mr. Ross Swimmer
Department of the Interior
Assistant Secretary - Indian Affairs
19th and C Street, N.W.
Room 4160
Washington, D.C. 20245

RE: General Assistance, Child Welfare, and Indian Child Welfare Act Funding

Dear Mr. Swimmer,

This is to advise you of a serious concern I have with respect to allocation of funding within the Bureau of Indian Affairs in response to Gramm-Rudman cuts. It is my understanding that your administration is proposing deep cuts in social services programs because of the anticipated effects of Gramm-Rudman. The effects in the Phoenix Area apparently will be a substantial decrease in monies available for imlementation of the Indian Child Welfare Act. These monies will be decreased from approximately $800,000 to approximately $300,000.

You must be aware that the monies spent for child welfare and for efforts to keep Indian families together is money that is well spent. The Gila River Indian Community, like other Indian Tribes, has developed programs which are both effective and efficient but which are targeted and available to a small percentage of Indian families that need help.

At Gila River a Parent Aide Program now is funded by ICWA monies. This Program takes advantage of the skills and talents of individual Indians who assist troubled Pima and Maricopa families. This is in accord with both the spirit and intent of the Indian Child Welfare Act. For the Tribe to provide temporary assistance to an Indian family who has experienced difficulty, so that the family has a chance to remain together, is one of the most important functions a Tribe can perform.

The unfairness of cutting BIA Child Welfare Program funds and General Assistance funds while similar non-Indian programs are exempt is a situation which must be remedied. This situation must be addressed by your administration and we have urged Congress to change its position.

Sincerely yours,

GILA RIVER INDIAN COMMUNITY

Thomas R. White
for
Donald R. Antone, Sr.
Governor

DRA,Sr.:ve

THURSDAY, MARCH 6, 1986.

BIA IRRIGATION SYSTEM

WITNESS

RONNIE LUPE, WHITE MOUNTAIN APACHE TRIBE

Mr. YATES. White Mountain Apache Tribe, Mr. Lupe.

Mr. Lupe, we are glad to see you again. How are you doing?

Mr. LUPE. Pretty good, Congressman.

I will summarize my statement.

Thank you, Chairman Yates, and the Appropriation Committee, for allowing me to present my case before you. Again, the request is financial situation for the continued construction of BIA irrigation system. We are nailing down towards the Minor Flat Dam in which case we have already received $1.3 million, plus $4 million. We have utilized that money already regarding the impact study and so forth and the engineer.

We are requesting that you appropriate $5 million to continue the project to its completion. The $5 million will do a substantial completion of the outlet, the temporary diversion spillway and the basic foundation of the concrete erection of the dam in fiscal year 1987.

All of the statistical information that you need is all in the package and also the economic return that is necessary, the size of the dam and the acreage of what would be impounded, the surface acreage and so forth. The need is so important for the White Mountain Apache Tribe to complete the dam primarily because of our erosion of our land, destruction of our grazing and so forth and it is so important to continue our agricultural activity on our reservation which has almost been nil since 1982, the first appropriation that you had given us.

We appreciate that, Congressman, and we would like to ask you to help us and continue this project. We hope to complete it very shortly.

Partly, we will utilize the hydroelectric which will benefit the cost of our electricity in our area. Being in a rural area, it is a pretty high cost electric-wise so I appreciate the time and opportunity to be here again and we are asking for $5 million.

Mr. YATES. Good. Thank you, Mr. Lupe.

[The statement of Mr. Lupe follows:]

Testimony of the White Mountain Apache Tribe
Presented to the House Appropriations Subcommittee
for Interior and Related Agencies
by: Ronnie Lupe, Tribal Chairman
March 6, 1986

Chairman Yates, Members of the Appropriation Subcommittee thank you for the opportunity to appear before you and present this urgent request of the White Mountain Apache Tribe for continued BIA-Irrigation Construction funding in Fiscal year 1987 in the amount of $5,000,000 which will be effectively expended for the development of Miner Flat Dam on our reservation.

For more than a hundred years, the water resources of our reservation have gone undeveloped and have been intentionally allowed to unproductively pass through our land for the benefit of downstream users in the Salt River Valley. History attests to the industrious agricultural activities of our people. As early as 1883, the Bureau of Indian Affairs had proposed the construction of an irrigation dam on the North Fork of the White River to increase the irrigable acreage on our reservation and to provide an expanded economic base for our people. That same report described the proposed dam as highly feasible and our White Mountain Apache People as very industrious and extremely patient.

But, after a hundred years and numerous proposals for the construction of irrigation dams on our reservation, most notably in 1903, 1910, 1915 and more recently in 1965, the White Mountain Apache Tribe, on our own initiative in 1979, began to develop our farmlands in the Canyon Day Irrigation Project area. We now have approximately 900 acres of irrigated land under cultivation. But the full attainment of the potential of the Canyon Day Irrigation Project depends on the continued development and completion of the Miner Flat Dam.

Not only were the water resources of my Tribe intentionally neglected and supressed during this period but also our precious grazing lands were destroyed as a result of overgrazing prior to 1915 by white permittees.

Miner Flat Dam and the Canyon Day Irrigation Project are vital components in an over-all plan to restore the rangelands of my Tribe to their former condition. Investigations by the White Mountain Apache Tribe have disclosed that prior to trespass and opening of the rangelands to white permitees, the rangelands of the Fort Apache Indian Reservation were capable of providing grazing for as many as 41,000 head of cattle. Currently, fewer than 17,000 head of cattle can be carried on the gravely depleted rangelands of the Fort Apache Indian Reservation.

In a letter of October 15, 1927, Superintendent Davis described the overgrazing to Senator Carl Hayden of Arizona:

> "Where the ranges are grazed to the livestock capacity which the permitees would think right and proper the vegetation is so reduced on the land that the storm waters come down off the mountains in such torrents that it destroys the agricultural lands, along the stream beds to an extent no one can appreciate except by close personal observation and a knowledge of what conditions were 10-15 years ago...... This has resulted in such terrible erosion that it has washed away at least 50 percent of the lands formerly cultivated by the Apache Indians 10 to 15 years ago"

The destruction of the valuable grazing lands and more than 50 percent of the irrigated lands of the White Mountain Apache Tribe was never mitigated. The economic potential of the grazing lands was lost after 1915. Following the destruction of the rangelands by white permitees, the use of the gravely depleted forage was gradually transferred to Tribal livestock associations.

Non-beneficial species of vegetation particularly juniper-pinyon began to invade the grasslands due to the absence of the once valuable grasses. When the juniper-pinyon invasion developed to the point of reducing streamflows available in the Salt River for use by the Salt River Federal Reclamation Project, an extensive program for removal of juniper-pinyon was undertaken using Congressional funds. No efforts had been made previously with Congressional assistance to restore the grasslands, restore the loss of irrigated lands or provide a supplemental feed base for the White Mountain Apache livestock industry. The restoration of streamflows for the Salt River Project, not the restoration of the economy of the White Mountain Apache Tribe, was the major focus of the juniper-pinyon eradiction program of the 1950's and 1960's.

Miner Flat Dam and the Canyon Day Irrigation Project are substantial elements of a restoration program initiated by the White Mountain Apache Tribe. The project will create an irrigated feed base and permit resting of the rangelands of the Fort Apache Indian Reservation.

Miner Flat Dam will provide storage necessary to irrigate 3,000 acres on the Canyon Day Irrigation Project. In addition, the reservoir will provide significant recreation potential in an area of high recreational demand. Hydropower will be produced in sufficient quantities to exceed the pumping requirements for irrigation and provide a surplus for market. The Alchesay National Fish Hatchery has supported the project for the purpose of providing a higher quality water supply for that valuable facility. The U.S. Indian Health Service has embraced the project for the purpose of providing a higher quality and more dependable water supply for present and future municipal and industrial requirements. Streamflows of the White River and Salt River will be enhanced during dry years.

Miner Flat Dam and the Canyon Day Irrigation Project will produce benefits of $3,217,000,00 per year from irrigation, livestock, Indian income, regional earnings, hydropower and recreation. (Statistical Summary, page 1-1). Annual costs total $1,728,000.00 for construction, operation, maintenance and replacement of a concrete-gravity dam at Miner Flat, hydroelectric generation facilities and irrigation of blocks I through V of the Canyon Day Irrigation Project. Annual costs exceed annual benefits by $1,489,000.00 and the benefits to cost ratio is 1.86:1.00.

In 1982, Congress appropriated 1.5 million dollars for a dam on our reservation and in 1983 appropriated an additional 3 million dollars for this project. To date, 1.4 million dollars have been obligated or expended for the engineering design and

and analysis of the Miner Flat Dam.

Final geologic investigations and engineering design of Miner Flat Dam are nearing completion. The environmental assessment has been prepared and is in review by appropriate agencies. Construction of Miner Flat Dam can commence in spring 1986, provided federal environmental and engineering reviews can be completed.

The 3.1 million remaining from previous Congressional appropriations together with the 5 million that I am requesting today will provide an adequate level of funding to construct the temporary diversions, the outlet works, the preparation of the foundation and substantive completion of the dam structure during Fiscal Year 1987. It would be a serious misfortune to my Tribe, to spend so much time and money on preparations for Miner Flat Dam only to be derailed for the lack of adequate funding.

The White Mountain Apache Tribe has undertaken significant steps to develop a viable economy for our members, including creation of a major timber products industry, a prime ski area, commercial centers and other economic ventures.

Additional employment and income are needed, however, particularily in view of the fact that major adjustments are now necessary in the White Mountain Apache timber harvest to achieve sustained yield. Reduction of the present allowable annual cut, computed and administered by the Bureau of Indian Affairs, to sustained yield levels will reduce income and employment opportunities on the reservation.

Implementation of Miner Flat Dam as a preliminary step in the development of the Canyon Day Irrigation Project to 3,000 acres is vital for several reasons. First, construction of the dam will generate new employment opportunities and assist in offsetting the short-term impacts of a reduced timber harvest. Second, long-term benefits of the project will significantly exceed costs, thereby creating long-term income and employment opportunities. Finally, the project will assist in restoring the livestock economy of the Fort Apache Indian Reservation. Aside from the positive feasibility of the Miner Flat Dam and Canyon Day Irrigation Project, long-term damage to the rangelands of the Reservation can be partially corrected.

STATISTICAL SUMMARY

White River Extension: Irrigation of Indian lands on the Fort Apache Indian Reservation of the White Mountain Apache Tribe.

Location: East Central Arizona, adjacent to the town of Whiteriver, Arizona, in the Navajo and Gila Counties, approximately 90 miles northeast of the city of Globe, Arizona.

Plan: The project will provide a feed base necessary for rangeland rehabilitation and restoration of the livestock industry. The construction by the White Mountain Apache Tribe of a storage reservoir on the North Fork White River, a diversion facility on the White River below the confluence of the East Fork and North Fork, a pumping station, a pipeline and canal system leading to the agricultural lands, a sprinkler irrigation distribution system, and the development of lands for production of irrigation farm crops and forage crops for use in the livestock industry of the White Mountain Apache Tribe. The flow of the White River with storage on the North Fork White River is adequate for the irrigation of 3,000 acres, including 885 acres developed since 1979 and 2,115 acres proposed for development. Shortage in water supply with storage will be minimal. The project will enhance the fishery on the North Fork White River, improve the water supply available for the Alchesay National Fish Hatchery, provide a future water supply for the community of Whiteriver, supply hydropower in excess of irrigation pumping requirements and create a major recreational reservoir in an area of high demand.

Federal Construction Costs:

Miner Flat Dam	$13,362,000
Hydroelectric Generation	1,608,000
Irrigation of Blocks I, II, III, IV, and V	6,290,000
Total, including engineering and contingencies @ 30%	$21,260,000

Annual Costs and Net Benefits (100 year period of analysis):

Irrigation	$ 100,000
Livestock Sales	849,000
Indian Earnings	656,000
Regional Earnings	1,312,000
Hydropower	200,000
Recreation	100,000
Total Benefits	$ 3,217,000

Annual Costs	$ 1,728,000
Benefit-Cost Ratio	1.86:1.00

Irrigation Repayments:

	Per Acre	Project
Irrigable Area		
Total Annual Income	$595.00	$1,785,000
Planting, chemical, harvest and overhead	-290.99	-872,970
	$304.01	$912,030
Payment Capacity		
Project operation, maintenance and replacement	-270.78	-812,340
Amortization capacity	$33.23	$99,690

Present Use: Grazing of livestock on major part of area and dry farming on minor part of the area.

Anticipated Use: Irrigated alfalfa on 3,000 acres, with possible conversion to other crops such as corn, small grains and pasture.

Average Growing Season: 207 days.

Average Elevation in Project Area: 5,100 feet

Farm Delivery Requirement: Average annual per acre, 5.25 acre-feet.

Project Annual Diversion Requirement: 15,750 acre-feet.

Project Features:

Miner Flat Dam:

Location - North Fork of White River approximately 19 miles upstream from Whiteriver, Az.
Type - Concrete gravity.
Crest Elevation - 6,062 feet
Downstream Toe Elevation - 5,895 feet.
Dam Height - 167 feet.
Crest Length - 260 feet.
Spillway Capacity - 115,000 cubic feet per second.
Average Annual Streamflow - 64,400 acre feet per year.
Watershed-Area - 238 Square.miles.
Total Storage Capacity - 8,900 acre feet.
Inactive Storage Capacity - 2,500 acre feet.
Active Storage Capacity - 6,400 acre feet.
Normal Surface Acres - 185.
Maximum Drawdown - 62 feet
Rate of Annual Sediment Accumulation - 7.43 acre feet

Hydropower Facilities:

Design Discharge - 200 cubic feet per second.
Generator Capacity - 1.8 megawatts.
Average Annual Energy - 5,220 megawatt hours.

Pumping Station:

Intake Elevation - 4,860 feet.
Discharge Elevation - 5,200 feet.
Capacity - 19,035 gallons per minute .

Periphery Canal:

Elevation - 5,200 feet
Capacity Entering Block 4 - 13,000 gallons per minute.
Capacity Leaving Block 4 - 7,150 gallons per minute.

Irrigated Acreage:

Block III - 670 acres
Block IV - 650 acres
Block V - 795 acres
Total Expansion - 2,115 acres
Existing Irrigation - 885 acres
Total Irrigation - 3,000 acres.

Hydrology:

Watershed Area Above Storage Reservoir - 238 square miles.
Average Annual Runoff (1958-1980) - 64,400 acre feet.
Maximum Annual Runoff - 157,270 acre feet.
Minimum Annual Runoff - 18,367 acre feet.
Minimum Release with Storage - 10 cubic feet per second.
Years of Ten Percent Irrigation Shortage - one.
Years of Twenty Percent Irrigation Shortage - one.
Years of Greater than Twenty Percent Irrigation Shortage - 0.
Peak Discharge of Record on White River Near Fort Apache - 14,600 cubic feet per second, December 18, 1978.

THURSDAY, MARCH 6, 1986.

IHS, BIA

WITNESSES

JAMES FLOYD, DIRECTOR, DIVISION OF COMMUNITY SERVICES, MUSCOGEE (CREEK) NATION

MARK DOWNING, DIRECTOR, HUMAN DEVELOPMENT, MUSCOGEE (CREEK) NATION OF OKLAHOMA

Mr. YATES. The Muscogee Nation, Mr. Floyd.

Hi, Mr. Floyd. Your statement may be made part of the record.

Mr. FLOYD. Thank you. I would like to briefly introduce ourselves. I am James Floyd, Director of Community Services with the Creek Nation. With me is Mark Downing, Director of Human Development.

I would like to, in light of the time, be very brief, to the point, and hopefully effective. First of all, I would like to provide an estimate for the coming fiscal year.

Basically, we have about four points to make. First of all, the hospital/clinic line item we have reviewed both the administration's prepared budget and the Indian Health Service's justified budget, and briefly we support the justified budget of the Indian Health Service.

First of all, our approach to this is probably a little bit different than many of the other people. We are a contractor under Public Law 93-638. We operate a community hospital that treats Indian and non-Indians; therefore, we don't receive 100 percent Federal funding. It is approximately 60 percent. So we have to be very productive in our methods to maintain the 40 percent.

Basically, we take a more business-like approach to it than the administration would. But we do support the Indian Health Service's prepared budget for the hospital and clinics line items.

In the preventive health care category, basically we have two points, the sanitation line item we feel should be not reduced as the administration proposes for 1987. We support that it be maintained at the 1986 level.

We feel it is a very good component of health care system. Our out-patient clinics, which we operate four; two years ago over 50 percent of our out-patient visits were the result of environmental hazards around the home. We feel continuing this program will cut into that and hopefully reduce some of the out-patient visits that we have.

In the community health representative program, basically we would like to see it reinstated in the 1987 budget. As you know, the administration has zeroed that line item out. We feel that again from the cost effective standpoint, that health care services that could be provided in the homes, especially of a preventive nature, are more economic and cost effective than those provided in the inpatient/out-patient facilities.

The two other main points we had with the Indian Health Service budget are with the health operations category. With Public Law 99-177, that you are quite familiar with, I guess at this point the Indian Health Service did a 4.3 reduction in their 1986 budget.

Basically, what they have done is not cut back on their administration. They have moved to direct operation and employees to program operations money which have in our case, cut out a lot of direct operations funds we have for health services.

We feel that is not right. What we would like to do is see language in the 1987 budget that would restrict them from moving employees, administrative employees from direct operations to program funds. We feel that with that restriction, it would then force the Indian Health Service to be a little more economic in the way they administer the programs.

The last point we would like to make going back to about 1982 when the Congress mandated the Indian Health Service come up with a more equitable distribution of its health care funds, along that line at this point the IHS, as you know, developed the resource requirement methodology.

They revised it in 1986. It is looking better. However, there is one main problem we have with it in that in our operations of the community hospital, we use the admitting criteria for in-patients of medicare DRG criteria. We feel this is a very economical way and effective way to provide in-patient health care to the Indian people. With the Indian Health Service real methodology they use for funding in 1987, they are going to go by the work load produced by the in-patient days.

In our case, using DRG criteria we have reduced the length of stay and work load, but still maintained the quality of health care. To be quite honest, we can't understand why the Indian Health Service does not do that also. With the criteria they are using for 1987, they will actually be subsidizing less cost efficient health care by dealing with longer in-patient stays and higher work load. To be quite honest, the IHS and the Veterans Administration probably are the only two health systems not using the DRG criteria.

Basically that is it. I would like Mark Downing to offer testimony on human development.

Mr. Yates. You don't have much time.

Mr. Downing. Keeping with the obvious, because we don't have much time, I will skip over all of the embellishing statements in the testimony and tell you what we want.

As a tribal contractor, we have contracted all of the BIA agency operations for the Creek Nation. In addition to this, we have contracted a boarding school from the Bureau of Indian Affairs.

After review of the President's budget for fiscal year 1997, although we consider that budget not optimal at that level, it is adequate. We can live with the budget as it has been proposed.

However, should the across-the-board reductions take place, it would create a situation where we would have to make considerations of retrogression, closing down, that sort of thing, the existing operations.

What we would want would be specifically the assurance of tribally operated Indian education funding as a protected program by a partial exempted status, the same as the Indian Health Service received for basic services to Indians.

Mr. Yates. Good.

Mr. Downing. That is it.

Mr. Yates. Fine. Thank you very much.

[The statement of Mr. Floyd and Mr. Downing follows:]

MUSCOGEE (CREEK) NATION

[illegible]

March 6, 1986

Mr. Sidney Yates, Chairman
House Appropriation Committee
Subcommittee on Interior and Related Agencies
Washington, D.C.

SUBJECT: STATEMENT OF JAMES FLOYD, DIRECTOR, DIVISION OF COMMUNITY SERVICES AND MARK DOWNING, DIRECTOR, HUMAN DEVELOPMENT, MUSCOGEE (CREEK) NATION OF OKLAHOMA

Mr. Chairman, we are presenting testimony today regarding the Administration's 1987 Fiscal Year Budgets of $722,370,000 for the Operation of the Indian Health Service and $1,455,303,000 for the operation of the Bureau of Indian Affairs programs. We are representing Claude A. Cox, Principal Chief of the Muscogee (Creek) Nation of Oklahoma, the nation's third largest Indian tribe with over 45,000 eligible membership.

Indian Health Service

The Creek Nation has reviewed the operational budgets of the Indian Health Service Programs for fiscal year 1987 that have been prepared by both the Indian Health Service through it's Justification of Budget Estimates to the Office of Management and Budget as well as the budget presented to this committee from the Office of the Administration.

The Creek Nation currently administers under Public Law 93-638 contracts with the Indian Health Service, a comprehensive health service program to an Indian population that in 1985 exceeded 40,000 Indian people. The Creek Nation operates a 39-bed general surgical community hospital at Okemah, Oklahoma and four (4) out-patient health centers within it's 8 county area. (See Attachment I). In order for the Creek Nation to continue to perform its contractual obligations to provide quality health care while maintaining standards set by national accrediting organizations it must recommend to this committee that the Indian Health

Service prepared budget amount of $453,261,000 for the Hospital and Clinics line item activities be approved for funding as opposed to the Administration Request amount of $409,614,000. The Creek Nation supports the Administration Request amounts for the remaining line items under the Clinical budget category; however, the Creek Nation recommends that this committee consider adjusting the Contract Health Care line item to reflect the justified level in the Indian Health Service funding level summary as opposed to the Administration Request amount.

In the Preventive Health category of the Indian Health Service budget, the Creek Nation requests that the committee consider continuing the Sanitation line item activities at no less than their FY86 operating level. The impact of Sanitation's activities can easily be measured at the health center facility level as a decrease in the communicable disease rate of gastrointestinal disorders or by a reduction of accident episodes from environmental hazards at the individuals home. Further, if Sanitation activities such as installation of water and sewer systems to new homes are reduced, it may not be inconceivable that Indians within the Creek Nation may be living in new homes yet not have access to running water or working sewer systems. The resulting problems that this would cause would be devastating to the Indian fragile health status.

The Creek Nation is again requesting to Congress that the Community Health Representative Program line item be reinstated in the FY87 budget for funding at least to the FY85 level. This committee should not accept the President's proposal to eliminate this program and sacrifice an Indian persons access to the most cost efficient form of health delivery, that which is performed in their homes.

In the Direct Operations category of the Indian Health Service budget for FY87, the Creek Nation supports the Administration level of funding for this category. We would also like to have this committee consider mandating to the Indian Health Service in appropriation language for FY87 that the IHS administrative personnel now funded from this line item not be allowed to be transferred from Direct Operations to Program Operation funds in order to continue their existence in light of reduced funding. By mandating this requirement, Congress would be assured that funds appropriated for program operations could not be spent on IHS administration.

Bureau of Indian Affairs

The Creek Nation is currently operating all BIA agency functions by contract under P.L. 93-638. Although the President's budget for FY87 is not considered optimal for the demand, it is adequate at the proposed amount of $2,666,000 to provide a level of services that will assure basic requirements are met.

Of these services, the Education programs are a priority and viewed as essential for the social and economic growth of Creek people and the tribe as a whole.

In addition to contracting all BIA agency operations, the Creek Nation has contracted from the BIA and is operating a boarding school for students in grades 1-12. (Appropriation $461,100 for FY86) The Indian students live on campus and attend a nearby public school. Again, while the President's budget for FY87 is not optimal, it is adequate for remaining operations.

By all figures that have been projected as a result of the Deficit Control Act, the School Operations (from which the Dormitory is funded) line item, reductions would create a negative impact on these Indian school age children. These young children are in the most need and there are no other suitable solutions for the myriad problems they face in their personal lives.

It's our position that there should not be across be board reductions in funding. To the contrary, reductions should be made on a priority basis.

An alternative to across the board reductions would be to evaluate the economic value of School Operations programs and to support residential facilities such as the Creek Nation Dormitory as opposed to other facilities that operate both a dorm and school even though public schools are available in the same locale.

With the concept that an individual's economic self-sufficiency can best be provided through the effort of that individual it is apparent that adequate funding of Indian education continue as a means toward that end.

A solution for assurance of necessary basic support for the continuation of tribally operated Indian education would be to include Indian education in the partially exempted status by amending the Deficit Control Act of 1985. Thereby giving it the same consideration as Basic Health Services within the Indian Health Service.

James Floyd
James Floyd, Director
Division of Community Services

Mark Downing
Mark Downing, Director
Division of Human Development

ATTACHMENT I

CREEK NATION HEALTH FACILITIES
TOTAL VISITS - AMBULATORY CARE SERVICES

	FY82 1982	1982-1985 1985
Eufaula Health Center *		
Medical Visits	3,144	15,033
Dental Visits		2,486
Sapulpa Health Center *		
Medical Visits	14,079	12,529
Dental Visits		2,350
Okemah Health Center		
Medical Visits	5,673	11,438
Okmulgee Dental Clinic		
Totals	22,866	47,998

CREEK NATION COMMUNITY HOSPITAL*
Okemah, Oklahoma
39-Bed
FISCAL YEAR 1982 - 1985

	1982	1985
Total Patient Days	6,178	3,032
Emergency Room Visits	4,063	5,002

*Facility accredited with three year accreditation by the Joint Commission on Accreditation of Hospitals

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESSES

KENNETH NEAMAN AND MARY ELLEN SLOAN, NORTHWESTERN BAND OF SHOSHONI NATION

Mr. YATES. Now we have the Northwestern Band of Shoshoni. Your statement may be made part of the record.

Mr. NEAMAN. Thank you, Mr. Chairman.

My name is Kenneth Neaman, Chairman of the Northwestern Band of Shoshoni Nation. It is located in the northern part of the State of Utah. I would like to testify here today and seek your support and help and consideration for my tribal members that are in need of Indian health care service.

We would like to have areas designated for my tribal members that reside in the state of northern Utah and southern Idaho, which currently do not receive any Indian health care service. Because of a peculiar situation that occurred from a tribe in the early years of when the pioneers came into the State of Utah, my tribe went under the LDS Church, and up to that time in 1972, some of the Indian health care service and the employment was basically provided by the Church and since quite an association with the church today, we are in need Indian health care services.

Currently, the nearest Indian Health Service clinic is 86 miles north from our base reservation land in Box Elder, Utah, and 226 miles to the south is another Indian service clinic. Today we do not have contracting and Indian health care service that reside in Box Elder County, Utah, but we got a little bit of good news yesterday when we met with Indian Health Service on the Hill.

They have designated Box Elder County, Utah, as a service area for my tribe. We just got that course today which would be good news to my people when I get home to spread the news. But currently only 45 members today live in Box Elder County, Utah, and throughout the other counties in Utah, approximately 100 members will not be eligible for contract service. Because of the situation today, 55 percent of my people that are able who would need to work are unemployed today and also due to the rising cost of living, many of my people are in need of health care.

This is the main reason why we come to testify and basically, number three, is the biggy. We need funding also.

We got this amount of dollars—it is in the testimony—that is based from the resource methodology utilized by the IHS who gave us a consideration that this amount of dollars would be, if it is provided, adequate to provide for my people.

Do you have anything else?

Ms. SLOAN. Just in summary, Mr. Chairman, two things are needed. One, language in the legislation or the House report designating certain counties in Utah and southern Idaho as a service delivery area so those people who live outside of Box Elder County could receive contract services, if there is money for that; and second, funding in the amount of $231,500 which is the IHSRRM statement as to the amount of money needed.

Mr. **Yates**. Good. Thank you very much.

Mr. **Neaman**. Thank you very much.

[The statement of Mr. Neaman follows:]

BEFORE THE
APPROPRIATIONS SUBCOMMITTEE FOR
INTERIOR AND RELATED AGENCIES

Honorable Sidney R. Yates
Chairman

Statement of the
Northwestern Band of the Shoshoni Nation
Regarding
1987 Interior Appropriations

March 6, 1986

Kenneth L. Neaman, Chairman
Northwestern Band of Shoshoni Nation
P.O. Box 364
Fort Hall, Idaho 83203
(307) 382-3943

Funding Needed

Funding is needed for the Northwestern Shoshoni for contract health care. Based on the Resource Requirement Methodology utilized by IHS, $231,500 is needed for the Northwestern Shoshoni in order to provide health services to a population which isn't served. The figure noted above is premised on the minimum rate of utilization for the population size. Funding in the amount of $30,000.00 is also needed for a tribal health plan.

Service Delivery Area Designation

Because of the great distance between these two facilities and the fact they do not offer major emergency medical treatment among their services, a designation of certain Utah and Idaho Counties as a service delivery area would seem to be appropriate. Those counties in Utah are Box Elder, Weber, Davis, Salt Lake and Utah. In Idaho they are Bingham, Bannock and Power Counties.

Current IHS Services Available

Approximately 145 Northwestern Shoshoni live in Northern Utah and 80 in the Pocatello, Idaho area. In the past, some Northwestern Shoshoni have received direct service from the Indian Health Service clinic at Fort Hall, Idaho, but have been denied contract health care service even if they resided on the reservation at Ft. Hall. Recently, the Tribal Council met with Robert Palmer, DMD, Ft. Hall Indian Health Center. He claimed the current policy was to provide contract health care to Northwestern Shoshoni if they resided on the reservation. The Tribal Council had not been aware of this policy.

In Salt Lake City, the Salt Lake Indian Health Center provides a clinic on a fee for service basis depending on income. Most of the Northwestern Shoshoni live between Salt Lake City and Ft. Hall, a distance of one hundred and sixty miles. The Tribal Council was unaware of this facility.

Historical Background

Presently there are approximately two hundred and eighty five (285) members in the band. The band was a party to two treaties with the United States, the Treaty of Box Elder of 1863, 13 Stat. 63 and the Treaty of Fort Bridger of 1868, 15 Stat. 673.

The Northwestern Band was a part of the larger Northern Shoshoni Nation under Chief Washakie and at one time in the 1860's was comprised of 1500 people. The band primarily occupied

United States and the Northwestern Shoshoni and is known as the Treaty of Box Elder of 1863.

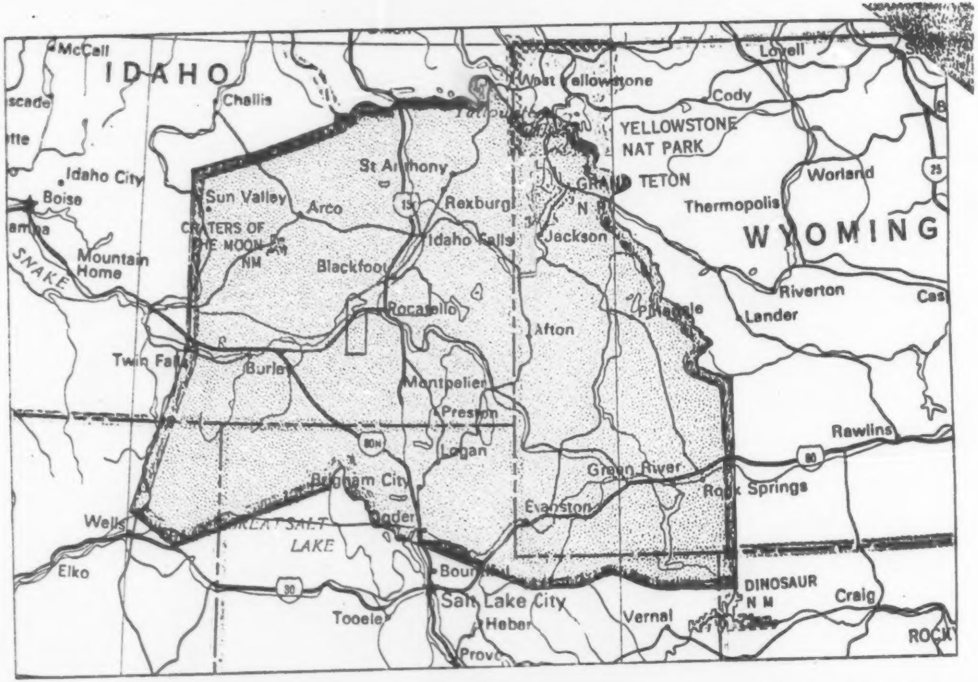
Pursuant to the Treaty of 1868, a reservation was established for the Eastern Band of Shoshoni. In 1867, pursuant to Executive Order the reservation at Fort Hall, Idaho was set aside for the mixed bands of Shoshoni and Bannock. Thereafter some of the Northwestern Shoshoni moved to Ft. Hall.

Others remained in northern Utah and southern Idaho and eventually became converts to Mormonism in 1875. With no land or the means to survive, the remaining Northwestern Shoshoni applied for homesteads in the Malad Valley in northern Utah. Through 1880 to 1900's approximately 4,800 acres were homesteaded by the Northwestern Shoshoni with the assistance of non-Indian Mormons. In the early 1900's the land was placed on the tax rolls and lost through non-payment of taxes or was sold to Mormon's or the LDS Church. Only 4 of the original 40 allotments remain in trust ownership.

The current membership of the Northwestern Band of Shoshoni Nation are primarily the descendants of those early Mormon converts. In 1935, the Northwestern Band of Shoshoni adopted the Indian Reorganization Act but did not organize under it. From 1950 on the Northwestern Shoshoni further scattered as they left the Church farm they had worked to seek employment elsewhere.

Throughout this time the Northwestern Shoshoni have continued to be a separate Tribe with elected officials. Most continue to speak Shoshoni and their general council meetings are conducted in Shoshoni. There has been little intermarriage with the non-Indian population. In 1979 the LDS Church returned 184 acres of the Northwestern Shoshoni land and it is now held in trust by the United States. A constitution drafted by the Tribal Council is being reviewed by the Interior Department.

In 1985, some services from the Bureau of Indian Affairs were obtained. In 1986 the Tribal Council hopes to establish access to health care services for the Tribal membership.


McCall
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Pocatello
Twin Falls
Burley
Montpelier
Preston
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Brigham City
Ogden
GREAT SALT LAKE
Wells
Elko
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Bountiful
Salt Lake City
Tooele
Heber
Provo
Vernal
DINOSAUR N M
Craig
ROCKY
West Yellowstone
Lovell
Cody
YELLOWSTONE NAT PARK
GRAND TETON N P
Thermopolis
Worland
25
WYOMING
Jackson
Afton
Pinedale
Lander
Riverton
Cas
Rawlins
80
Green River
Rock Springs
Evanston

Fort Bridger Treaty Ceded Lands

adapted from

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESSES

HARRIET TORO, PAPAGO TRIBE
ROSEMARY LOPEZ, PAPAGO TRIBE
ANGELO JOAQUIN, SR., PAPAGO TRIBE

Mr. YATES. The Papago. Your statement may be made part of the record.

Ms. TORO. Thank you, Mr. Chairman. My name is Harriet Toro, and I am a member of the Papago Tribal Council. With me here today are Angelo Joaquin, Senior, and Rosemary Lopez, Senior, also members of the council.

We are here today to ask for your assistance for funds to increase the staffing and replace the vehicles for our police department. On February 21, one of our tribal members who is a Customs agent was shot to death at the Mexican border while he was on patrol alone. We feel that this illustrates the problem of limitations on the manpower and vehicles not only with our law enforcement, but including the U.S. Border Patrol and the Customs Department.

Mr. YATES. Why was he shot to death?

Ms. TORO. They suspect these were smugglers. It is still under investigation. It just happened February 21.

Mr. YATES. The Mexicans were the smugglers, not the Papago.

Ms. TORO. They haven't found out who it is. It is still under investigation.

Mr. YATES. I see.

Ms. TORO. We would like to also make comments regarding other areas that the tribe is making recommendations as far as changes on the President's budget request for fiscal year 1987, and I will let Angelo go into that.

Mr. JOAQUIN. For Bihinol Du'ag High School, we need $2,100,500. This amouint includes for the construction of 48 cottages for boarding students, six additional staff, and staff housing units, because of travel for teachers that come from 71 miles or 101 miles away from our reservation. We are also asking for $250,000 for the Papago early childhood program.

Mr. YATES. Good.

Ms. LOPEZ. We are asking for your support to replace the monies for the CHR for fiscal year 1987 and also for the replacement of the tribal health management program. We are also asking replacement of the monies for the IHS sanitation facilities and we are asking to withhold your approval of the President's proposed rescission of IHS funds for 1986.

Mr. YATES. Thank you.

Ms. LOPEZ. Thank you very much.

Mr. YATES. We will stand in adjournment until 1:25.

[The statement of Ms. Toro, et al., follows:]

STATEMENT OF THE PAPAGO TRIBE OF ARIZONA
HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
March 6, 1986

On February 21, U. S. Customs Officer Glenn Raye Miles, a member of our Tribe, was shot to death while on duty alone near the Papago border with Mexico. His murder might not have occurred had the Federal government provided sufficient funding and staff for law enforcement to cope with the torrent of illegal aliens crossing the border, many of them drug smugglers. To meet the crisis, the Tribe requests an FY 1987 increase of $455,439 for BIA law enforcement, earmarked for the Papago Tribe, plus $250,000 to replace 24 vehicles.

In addition, the Tribe recommends that Congress make the following changes to the President's budget request for FY 1987 -

(1) An increase of $2,100,500 for BIA school construction to complete the Bihinol Du'ag High School;
(2) An increase of $215,000 for the Papago early childhood education program;
(3) An increase of $25,844,000 for the IHS community health representative program;
(4) An increase of $1,988,000 for the IHS tribal health management program;
(5) An increase of $24,850,000 for IHS sanitation facilities;
(6) An increase of $250,000 for the IHS, earmarked for the Papago Tribe to enable it to implement its proposed model health projects;
(7) An increase of $2,544,000 for the BIA Johnson-O'Malley program to cover contract support;
(8) An increase of $6,161,000 for the BIA housing improvement program;
(9) An increase of $2,710,000 for Indian Child Welfare Act grants;
(10) An increase of $250,000 for BIA aid to tribal governments, earmarked for the Papago Tribe to enable it to implement its new constitution; and
(11) An increase of $2,000,000 for the BIA energy and minerals program, with $400,000 earmarked for the Papago Lakeshore mine.

We urge the subcommittee to establish a policy for the allocation of health resources and to withhold its approval of the President's proposed rescission of IHS funds for FY 1986.

We support the President's request for roads maintenance.

We also recommend a FY 1986 supplemental appropriation to meet a $3,800,000 shortfall for BIA general assistance.

EMERGENCY LAW ENFORCEMENT

The murder of Officer Miles illustrates the severe problem of manpower and vehicle shortages experienced by the Papago Police Department, the U. S. Customs Service, and U.S. Border Patrol.

The Papago Reservation spans 4,000 square miles. Roads are unpaved or unimproved. Villages are scattered throughout the reservation, all making police patrol difficult and selective. The most difficult law enforcement problems are presented by the 90 miles of international boundary bordering the districts of Chukut-Kuk, Pisinemo, and Gu Vo. Offenses and border-related activities range from cattle rustling and illegal alien entries to drug smuggling and homicide. The residents of the bordering districts have voiced concern and fear and are demanding increased law enforcement protection--a demand that cannot, under present funding, be met.

The Papago Police Department is in critical need of an increase to its current funding base to enable it to hire additional officers and to purchase 24 replacement police vehicles. The Papago Tribe has exhausted all available administrative steps, including ranking law enforcement in the top five on the tribal priority budget process, to secure an increase to its current base--without success.

It is the Papago Tribe's position that the Police program should be brought up to the minimum adequate level under the criteria contained in the "Indian Reservation Criminal Justice Task Force Analysis of 1974-75". Funds appropriated in FY 1985 to enable tribes to achieve the minimum adequate level were not allocated by the Phoenix Area Office on a needs basis to meet this Congressional objective.

The Papago Tribe proposes an additional $455,439 for law enforcement to increase the current base to $1,577,539, including the funds necessary for contract support. In addition, $250,000 is needed to replace 24 police vehicles.

BIHINOL DU'AG HIGH SCHOOL

Education is the Papago Tribe's number one priority and as such the Tribe is committed to providing a high quality basic educational experience for its children in adequately equipped facilities.

Bihinol Du'Ag High School (Papago High School) is currently under construction. The funds appropriated to start construction were insufficient. A total of $2,100,500 is needed to construct housing for 48 boarding students ($1,198,000), 6 additional staff housing units ($455,000), and completion of the playing field, and associated costs.

MODEL HEALTH PROJECTS

The Papago Tribe of Arizona is dedicated to providing quality health care services for its members. The Tribe intends to utilize the 638 mechanism to the fullest extent to allow it to develop quality health care and professional technical skills for its health managers. The projects proposed are intended to begin this objective, but require a source of funding.

Community-Oriented Primary Care (COPC): This project would enhance the role of the CHRs in the community and promote preventive health activities, thereby reducing the need and use of acute care services.

Comprehensive Tribal Plan for Assumption of Health Service Delivery to the Papago People: This plan would be developed by a private health planner once funds are obtained.

Tribal Master Contracting Model: This project would develop a master contracting model to facilitate the Tribe's efforts at contracting to the fullest extent.

EARLY CHILDHOOD EDUCATION

Again the Papago Tribe urges Congress to direct the Bureau of Indian Affairs to develop educational standards which include pre-kindergarten programs. The Papago early childhood education program currently serves 344 students. A steady reliable source of funds is necessary to continue this successful effort by the Tribe.

AID TO TRIBAL GOVERNMENTS

The Papago Tribe has adopted a new constitution providing for separate executive, legislative, and judicial branches of government. The BIA is expected to give final approval to the new constitution shortly. The Tribe estimates that $250,000 will be needed in FY 1987 for transitional expenses associated with its constitutional reorganization.

ENERGY AND MINING/LAKESHORE MINE

There is less to the BIA FY 1987 budget justification for minerals and mining than meets the eye. The budget for special projects shows an increase of $960,000--from $250,000 to $1,210,000. For the BIA's minerals development work, this represents a loss of $1,210,000. The $250,000 base was used in FY 1986 for special minerals assessment work. In 1987, all--or almost all--of it will be used to cover expenses associated with BIA participation in the Secretary's Task Force on royalty management. The

$960,000 increase in special projects is offset by a corresponding decrease in energy and natural resources. The increase will be used to cover expenses related to oil and gas royalty and other lease payment problems, land ownership records and integrated records management. The $1,210,000 in expenses were allocated in FY 1986 to general administration and real estate services.

The Papago Tribe urges the Committee to support an increase of not less than $2,000,000 over the President's FY 1987 budget request for the energy and mining program of the Bureau of Indian Affairs. It further requests that no less than $400,000 of available funds be earmarked for an in-situ copper leaching demonstration at the Tribe's Lakeshore mine.

The Lakeshore mine, the mainstay of the Tribe's private-sector economy, is threatened with closure unless the Tribe and the mine's operator, Noranda Lakeshore Mines (NLM), can demonstrate the commercial feasibility of in-situ copper leaching from solid rock. Closure of the mine would mean the loss of nearly $2,000,000 a year in tribal income from royalties and, to the Papago miners, the loss of their jobs. NLM provides more jobs than any other private-sector employer on the Sells Reservation.

To try to save the Lakeshore mine, the Tribe, in 1983, agreed to a sharp reduction in its royalties on condition that NLM invest the savings in an in-situ demonstration. By September 1986, the Tribe will have contributed $3,600,000 to this effort.

FY 1986 GENERAL ASSISTANCE SHORTFALL

The Papago Tribe recommends that the Congress provide $3,800,000 in a supplemental appropriation to cover an anticipated shortfall in general assistance funds in FY 1986. The shortfall arises, for the most part, because of an unexpected increase in AFDC payment standards by the State of Arizona. BIA general assistance payments are tied by regulation to state AFDC standards. Accordingly, general assistance payments to Indian people in Arizona must be increased to keep pace with Arizona standards.

ALLOCATION OF HEALTH RESOURCES

Budget reductions may cause the Indian Health Service to institute a policy to withhold care or treatment from certain types of patients--for example, renal dialysis patients. Many Papagos suffer from diabetes and increasing numbers require dialysis. Any allocation of resources based on an IHS calculation of the "number of excessive years of death" should not be implemented without express Congressional approval.

AFTERNOON SESSION

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESS

JOSEPH DELACRUZ, QUINAULT INDIAN NATION

Mr. DICKS [presiding]. The committee will come to order.

Our first witness will be Joe DelaCruz from the Quinault Nation. Do you want Mr. Jackson to come up, too? Glad to have you here today.

Your full statement will be placed in the record. As you know, we are under time constraints, so why don't you summarize what your major concerns are and proceed the way you feel most comfortable.

Mr. DELACRUZ. Thank you, Mr. Chairman. I am pleased my written statement will be submitted for the record.

I would also like the record to show that I have been coming before this committee for 18 years. I was one of the first witnesses when they opened hearings up and I believe that the tribes submit their needs and some of their frustrations to this committee, and over the last 18 years have been very helpful. We have made a lot of gains.

Since 1980, and the problems that we are facing because of the Federal budget, the gains that we made and the things that we gained on it as far as the problems of our Indian people, again we look to this committee to try to at least keep some exemptions of the cuts that people are faced with at the tribal and local level.

As you know, in my statement, we came before this committee several years ago because of the problems in forestry management. In this committee, we had various add-ons placed in the appropriations budget because of a lack of budgets and lack of actual forestry management what the Bureau was doing.

We are told this year because of Gramm-Rudman that these add-ons that we had in the past will be reduced by 40 percent at the tribal level of 1986 contracts. We ask this committee to restore those.

The other area that we are very concerned about is the reductions in fisheries management. The 1987 budget will reduce that half to O&M, we estimate, between 17 percent and 25 percent. Possibly we would like to see those funds restored to the 1986 level.

One of the areas that Quinault came before this committee 18 years ago was in the BIA revolving loan fund and Indian Finance Act. The tribe has submitted proposals to the Department of the Interior and the Bureau through the years and we have never been able to receive a dime from that program. The tribe because of the cuts and things we see, needs to do business development, if possible. We would like to request this committee to earmark revolving loan monies for business development for some feasibility studies to get the training and the milling operations and the forestry products so we can get involved in the export markets and joint venture opportunities that are becoming available.

Mr. **Dicks**. What money is made available to the tribe by the BIA?

Mr. **DelaCruz**. We have not received any development money from either the revolving loan fund or the Indian Finance Act.

Mr. **Dicks**. What resources are available? What do you get, not just in this area but overall?

Mr. **DelaCruz**. Historically we have had to go to other agencies, EEA originally, mainly EEA. We have had some SBA involvement, but after 18 years, we are involved in getting those acts, it seems absurd we can't get help from the agency we helped get money into.

I think, if you recall, they wouldn't even request money when they had authorization and we came to this committee asking to restore money into those budgets.

Mr. **Dicks**. As you point out, it is going to be a very difficult year just because of Gramm-Rudman and the administration's approach to the budget and the real test is going to be whether Congress can craft an alternative budget that we can get through that will be less painful than either Gramm-Rudman or the administration budget.

You know Congress, in the past, has attempted to offset some of the deep cuts that have been proposed and I would assume we will try to do that this year, but Gramm-Rudman makes it more difficult because we have to reduce the deficit from wherever it is all the way down to $144 billion.

So that means there is going to have to be substantial cuts made in spending programs. So, Joe, we will do our best and I would appreciate you keeping me and my staff advised on these things and we will make sure the committee members are aware of your testimony and the concerns you have.

Mr. **DelaCruz**. Thank you.

[The statement of Mr. DelaCruz follows:]

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Testimony of Joseph B. DeLaCruz
Chairman, Quinault Indian Nation
Before the House Interior Appropriations Subcommittee
Regarding the FY87 BIA/IHS Budgets

The Quinault Indian Nation, situated on the Pacific Coast of the Olympic Peninsula in Washington State, relies on the renewable forestry and anadramous salmon fisheries for subsistence and commerce. The priority concerns for the Quinault Indian people are the development of these resources to commercially profitable harvest levels and the strengthening of Tribal government operations to effectively deliver services to Tribal membership. Human resource services are essential to our nation's future.

The FY87 appropriations and the treatment of Tribal governments under the Gramm-Rudman sequestration process will be the crucial test of Congressional commitment to American Indian Tribes. Tribal governments have sustained ever-increasing appropriations' reductions since 1980. The consolidation of Federal programs into State formulas completely ignored Tribal governments. The FY86 Gramm-Rudman reduction of 4.3 percent affected Tribal operations across the spectrum of Federal resources. The proposed administration budget continues past attempts to abolish effective programs and cripple resource development. The next Gramm-Rudman sequestration, if applied to Tribal operations will reverse the self-determination philosophy and force massive contract retrocessions.

I urge this committee to give top priority in FY87 to Tribal government operations and direct services to American Indian people. This will require a restoration of these BIA/IHS Tribal operations to FY85 levels. And, the exemption of Tribal government operations and essential direct services to those Indians threatened by hardship or health factors by excluding these budget functions in the definition of "program, project, and activity." We are here today because Tribal governments have binding treaties with the United States. It is only logical that local Tribal government budgets and the essential direct services be spared from further reductions. The current recission in IHS and proposed reductions for FY87 in IHS can only be described as mean-spirited.

For the Quinault Indian Nation, my request focuses on forestry, fisheries, economic development, human resource development, and Taholah School District High School construction needs as our primary concerns within the context of continued Tribal government operations and development.

and comprehensive management plans and agreements remains a priority to Tribal leadership. To this end, we again request $95,000 to operate the Quinault Technical Management Coordination Center which can provide technical assistance -- creating and maintaining the necessary data base, developing shared understanding and agreement on management goals and policies, preparing long-term harvest management and production plans, and providing an ongoing coordinative function between the various Federal and State agencies, interest groups and Tribal Fisheries --- all of which are so critical to the overall management of Northwest Fisheries.

Somewhat related to this request for funding the Quinault Technical Management Coordination Center, we oppose the $400,000 reduction from the BIA's U.S./Canada Pacific Salmon Treaty Appropriation so vital to Northwest fisheries management and request restoration to the $1.4 million FY 1986 level.

In addition, for enhancement purposes, we seek $1.8 million for the development of a Queets River Salmon Hatchery. Since 1981, the Queets River has been largely responsible for the restrictive level of harvest for Coho by the Pacific Fishery Management Council, based on the analysis of run size data to spawning escapement goals relative to other coastal runs. A new hatchery facility on the Queets is needed to carry out this program, to reduce losses due to handling and rearing at facilities located elsewhere, to minimize straying of adult fish to other systems, and to prevent the further spread of dangerous fish diseases into the Queets River System.

BUSINESS DEVELOPMENT: The Quinault Indian Nation is aggressively pursuing business development strategies to benefit the Tribal and area economy. Recent developments include an agreement with Washington State to complete the coastal highway SR109 through the reservation, water/sewer improvements for business/residential infrastructure, and expansion of the product line of the Quinault Tribal Enterprise fish processing operation to include production of a retort pouch fish product (vacuum packed smoked fish in aluminum pouches).

The retort pouch fish product line will creat 18 full time jobs and offers excellent market expansion opportunities. To maximize on this product potential, the Quinault Nation is seeking a $200,000 commitment from the BIA revolving loan fund.

Secondly, we are requesting that this Commitee recommend to Congress that the BIA earmark $250,000 for preliminary studies and feasibility studies concerning the development of a milling operation on or near the Quinault Indian Reservation, an associated exploration of the export market for our forest products, and to explore joint venture opportunities. The objective of such projects would be to allow the Quinaults to capture the economic benefits of value-added processing of Quinault Reservation timber resources, which are presently going to off-reservation interests.

Finally, the Quinault Indian Nation recognizes the importance of private sector development to our Reservations's economy and its stabilization. In order to promote and encourage economic enterprises by Quinault Indian individuals, partnerships, and majority controlled corporations, we request $250,000 be made specifically available for business development on the Quinault Indian Reservation during FY 1987.

HUMAN RESOURCE DEVELOPMENT: The development of the Quinault economy, the management of our resources, the development of institutions for self-governance are meaningless without the development of the individual and of a family structure which can respond to and overcome contemporary social problems. Only through the development of the human infrastructure can the Quinault Nation develop and achieve self-sufficiency.

The budget recommendations of the BIA and IHS for FY 1987 include reductions and eliminations of programs which are already stretched to their limits. We adamantly oppose the proposed transfer of JOM to the Department of Education and State jurisdiction as simply another scheme to abolish Tribal control of this effective program. Quinault contracting for higher education and adult education under P.L. 93-638 continue to sustain reductions to levels of limited effectiveness. Our total adult education program is at $2,500 and although BIA social services appropriations has increased by over 20%, our Tribal BIA contract remains at the 1980 level of $27,300. Quinault social services, including family support programs, simply need increases to maintain services for 291 family members and 81 foster children. And, IHS FY86 recissions and FY87 reductions must be restored to FY86 levels to offer the essential services to Indian people.

TAHOLAH SCHOOL DISTRICT HIGH SCHOOL CONSTRUCTION: The Taholah School District within the Quinault Reservation boundaries offers elementary education for grades K-8 while our students attend North Beach High School South of the reservation or BIA boarding schools for grades 9-12. The North Beach School District is moving its high school facilities much further South, not to include Quinault students, resulting in the Washington State Board of Education authorizing a high school at Taholah. As the District is within the reservation on Federal trust land, there is no adequate tax base for the necessary bond issue for construction funding.

School construction funding is authorized through P.L. 93-638 Part B, Section 204. Although rarely utilized, we appeal for committee and Congressional funding for high school construction due to the impending move of currently utilized facilities, the substantial distance from the reservation of new facilities, the major reductions in P.L. 91-815 school construction funding, and the existing backlog of pending applications for Indian school construction needs. The construction funding options within the time constraints are:

	FY87	FY88	FY89
Schedule A	$6,075,000		
Schedule B	$4,840,000	$1,235,000	
Schedule C	$ 225,000	$4,615,000	$1,235,000

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESS

WALTER JACKSON, QUILEUTE TRIBAL COUNCIL

Mr. DICKS. Walter.

Mr. JACKSON. My name is Walter Jackson. I am the chairman for the Quileute Tribe. I would like to thank you for hearing some of my concerns.

Mr. DICKS. We are glad to have you here.

Mr. JACKSON. This is my first testimony. I am glad for the opportunity to express our concerns as far as the funding cutbacks that we are faced with.

Mr. DICKS. We will put your entire statement in the record and why don't you kind of summarize the major things that you are concerned about.

Mr. JACKSON. Thank you, Mr. Chairman.

Mr. DICKS. I know fisheries is one of your major issues.

Mr. JACKSON. Right. Our community is a fishing community and we do deal with the commercial fishermen as well as the sports fishermen and with the way the economy has been and the way the fishing has been cut back, we feel the brunt of it too as a community as far as income and as far as jobs for our tribal members.

We usually have summertime jobs whenever the fishing is open. We are in isolated areas as far as being able to get out to the—like our Olympic Peninsula Agency and any of the other Federal and state agencies, we have a ways to travel.

With the lack of funding, it is hard for us to be able to get out and address our concerns like we would want to. I agree with what Joe had mentioned earlier as far as the cutbacks. We have similar concerns, as I will go through.

Within our community we have a Coast Guard station, too, that deals with—it is the only one between Nia Bay and——

Mr. DICKS. Even the Coast Guard is getting cut back this year and that does not make much sense either.

Mr. JACKSON. Right. But as far as our fisheries management area, we would like to ask for hatcheries. O&M had them in the amount of $231,000 to gather data for U.S./Canada, $231,500 for our four elements of fish hatcheries. It is a renovation and construction of a hatchery.

$224,000 for off-reservation Swede Hale rearing pond construction and to restore $347,000 to nationwide hatcheries O&M reduction, restore $400,000 reduction in U.S./Canada to fiscal year 1986 levels. In our request for the needed monies for our hatchery programs, we feel that we would like to contribute more to the ocean and support fishery as well as our own tribal fishery.

We are in that area there where we are working with U.S./Canada and working with the state programs.

Mr. DICKS. That has been very constructive.

Mr. **Jackson**. It has. It has been really good over these last few months. It was very good to see the tribes in the state and Federal agencies sit down at the table and work the problems out that were facing the fisheries resource.

We have a real need for law enforcement funding. We have been spending our own money in the previous years to try to keep somebody on, as far as the tribal police officer and with the way our tribal monies have gone down now we are really in need of funding to hire more law enforcement.

Mr. **Dicks**. Did you make an application for law enforcement money that has just been turned down?

Mr. **Jackson**. Right.

Mr. **Dicks**. Is that how it works?

Mr. **Jackson**. Yes. We are a 280 tribe, also.

Mr. **Dicks**. How much money do you get for tribal operations from the BIA?

Mr. **Jackson**. Is that including all of our contracts?

Mr. **Dicks**. Yes, everything.

Mr. **Jackson**. Probably around, with our school and our fisheries program, maybe around $900,000, roughly, without looking at it.

Mr. **Dicks**. What do the Quinaults get overall, Joe?

Mr. **DelaCruz**. $3.8 million. For education, fisheries, law and order, courts, other services.

Mr. **Dicks**. That is all through individual contracts?

Mr. **DelaCruz**. From different Federal agencies and State, tribal.

Mr. **Dicks**. Well, we will do our best, Walter, to protect as much of this as we can and I would appreciate it, since we are from the same state, obviously your keeping my staff advised of these things and we will make sure that your full statement is placed in the record and we will try to help as much as we can. It is a tough year, as you know.

Mr. **Jackson**. Yes. Thank you. I would also like to address the Indian child welfare cuts.

That is a very important area for the tribes in Washington right now. They have been working the last year or two now in agreement with the state as well as the Indian child welfare program and it has been working out pretty well.

They almost have their agreement worked out. It is very important for our young children coming up in the area of Indian child welfare. We would like to take care of our own people.

Mr. **Dicks**. All right. That is one that this committee has tried to work on and help on in the past and I assume we will do the same this year.

Mr. **Jackson**. Thank you.

[The statement of Mr. Jackson follows:]

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Testimony of Walter Jackson, Chairman
Quileute Tribe
Before the House Interior Appropriations Subcommittee
Regarding the FY87 BIA and IHS Budgets
March 6, 1986

The Quileute Indian Tribe, located at the mouth of the Quileute River on the Pacific Coast of the Olympic Peninsula, manages a net fishery and limited ocean commercial fisheries for seven stocks of Steelhead, Chinook, and Coho Salmon. The natural river harbor serves a local Coast Guard Station, an active commercial/recreational boat mooring, and offers future economic development potential. The Tribal residential population relies primarily on commercial fishing and ocean-related support industries for employment. A limited commercial and recreational fisheries has created unusually high unemployment for our small, isolated Tribe this past year.

The Quileutes have particular needs for support in fisheries, law enforcement, Tribal government operations, and social/health services. The BIA multi-Tribal Olympic Peninsula Agency and the Portland Area Office have obvious budget constraints impeding their capacities. Limited access to services and resources in our isolated location has developed increasing frustration for Tribal leadership. Hopefully, the transfer of appropriations to the Tribe/Agency level will increase Tribal options for self-determination contracting and increased services.

We request that the Interior appropriation subcommittee and Congress give very serious consideration to at the least exempting Tribal government operations and direct services to further sequestration reductions in FY87 under the Gramm-Rudman legislation for the BIA. The Gramm-Rudman cuts hit all Federal agencies and thus all Federal resources tribes have utilized. At least two Federal resources in the BIA and IHS should be sheltered as a reliable resource. At least 25 percent of the appropriations to Tribal governments are still being withheld by the BIA going into the sixth month of the fiscal year. How can Tribes be expected to manage effectively and retain professional staff under such unstable conditions? A small Tribe such as Quileute is being tested to the extreme.

The Quileute River, six miles long from the mouth to the confluence of the Bogachiel and Soleduck Rivers, is co-managed by Tribal and State technicians for mixed stock of anadromous salmon. The Quileute River serves as a data management fishery to determine harvest levels of Pacific Coast commercial/recreational fisheries. With additional responsibilities for data-gathering and analysis to effectively implement the U.S.-Canada Salmon Treaty, the Tribe requests committee consideration of establishing a Technical Services Division to improve Tribal long range planning and technical cooperative management with Federal/Regional/State/Tribal and International management entities. The required technicians, supplies, equipment, and subcontracts total $97,500.

In conjunction with the U.S.-Canada treaty, the Quileute River anadramous fisheries data serves as an essential yardstick for the various management regimes. A fisheries program of four elements is proposed for one-time funding of $231,000 to include:

1) Anadramous escapement validation ($78,000)
2) Swede Hale Summer Chinook adult collection and escapement estimation in cooperation with the Fish and Wildlife Service ($40,000)
3) Togging studies on Spring/Summer Chinook in cooperation with the Washington Department of Fisheries and Northwest Indian Fish Commission ($12,000)
4) Small outmigration trapping to determine migration patterns ($30,000)
   Contract support ($35,000)

A complete description of this project, including justifications for program elements and costs, are included for subcommittee consideration.

The on-reservation Lonesome Creek Hatchery, serving the entire Tribal hatchery program for egg-gathering/incubation and initial rearing operations, produces a capacity 50,000 yearling Coho and Steelhead. Proposed facility renovation and construction could feasibly expand production to 150,000 yearling fish to the benefit of Tribal, ocean commercial/recreational, and river sport fisheries. The construction activities would include building a 40 foot diameter rearing pond; channelize a stream section for adult salmonid holding pond; erect two diversion dams; purchase two portable raceways; and, construct a water collection/mixing structure at a one time construction cost of $231,500.

The off-reservation Swede Hole Rearing Pond, currently utilized to rear up to 500,000 Chinook fingerling, is proposed for major renovation to accommodate up to one million fingerling at a one time cost of $224,000. Construction includes site excavation and building of an access roadway/dike, preparation of an overflow maintenance valve system, and the purchase/installation of bird netting.

The administration has proposed again an appropriation reduction of $347,000 for BIA Tribal hatcheries O&M programs in FY87. These hatchery programs produce almost one-fourth of the salmonid released in Washington State for all user groups, Indian and non-Indian. We request committee restoration of this proposed reduction and the recognition that last year's committee action was a restoration to FY85 levels and not a "Congressional add-on" as identified erroneously in the administration's FY87 budget justification.

LAW ENFORCEMENT: As reported to the subcommittee last year, the Tribe currently receives no BIA support for law enforcement and spends $35,000 of its own resources to maintain a minimum law enforcement capability with part time officers and used equipment. The Tribe is caught in the classic administrative vacuum as the BIA claims the Tribe is subject to P.L. 280, local jurisdiction, and the local county assumes no jurisdiction for the Tribal population residing on 220 acres rightfully restored to the Tribe by the National Park Service. Recent lawless activity on the reservation by non-Indians, threatening physical harm took the BIA eight hours to respond. The Tribe is extremely vulnerable. Is there some level of violence necessary, including physical harm, before someone takes note of the isolated Quileute law enforcement needs?

In December, 1985 the Quileute Tribe submitted a law enforcement proposal to the BIA of $153,000. The BIA Agency referred us to the Portland Area Office, the Area Office referred us to the Central Office, and in classic BIA fashion, the Central Office referred us to the Area Office. Finally, our request was denied.

We request subcommittee instructive language to address the Quileute law enforcement situation with the possible addition of $153,000. This amount would breakdown as follows:

$80,400	Salaries and Fringe Benefits for a Police Chief, two Patrolmen, a dispatcher, and part-time judge
$11,200	Travel and police academy training
$ 8,000	Supplies including vehicle operation/maintenance
$ 9,600	Program support costs including detention expenses in area facilities
$19,500	Capital expense including a vehicle, hand held radios, and a base station
$24,300	Indirect at 22.2% less capital expense

There is simply no way the Tribe can attract private enterprise to the reservation unless the minimum of police protection is provided.

TRIBAL GOVERNMENT OPERATIONS: We request that the committee restore the small Tribal Core Management Grant program to FY86 levels with consideration of a sizeable program increase to at least provide each small Tribe with some core management support. Small Tribes with current limited business development operations need targeted assistance. We competed for this program in FY86 and our application was rejected. By virtue of our losing in the competition, we should have been given every consideration for support. However, the system works inversely. In this same issue, we respectfully request that the BIA be instructed to fund only small Tribes through this most beneficial program.

Special attention should also be given by the committee to the problemmatic issue of contract support funds or indirect costs. Our Tribe has faithfully negotiated rates with the Inspector General which fluctuate annually. The BIA CSF available seems to only continue to be reduced. Conflicts between program requirements and negotiated rates have begun to create rather complex and potentially expensive accounting trade-offs.

SOCIAL AND HEALTH SERVICES: The IHS direct services to Quileute include a full-time garbage collection operation and a visiting dentist one Sunday per month. Our water/sewer system has deteriorated to levels requiring constant attention. There are neither doctor services nor even para-medical attention provided directly to the Quileute Tribe. We would appreciate some visible concern by IHS.

The Indian Child Welfare Act program, finally being accepted by the Tribal membership, is scheduled to be reduced this year by over 50 percent due to Gramm-Rudman. And the CHR program which supports our garbage collection operations, has been extensively curtailed by this administration under an FY86 recission request and is scheduled for complete abolishment in FY87. We request a restoration of these proven successful programs to FY86 (pre-Gramm-Rudman sequestration) levels and given some shield of protection from further cuts. Effective programs are simply being destroyed.

The Quileute Reservation, geographically isolated, has virtually no available housing for either purchase or rental. Based on an FY84 survey of existing housing needs, the Tribe is requesting administrative consideration of sixty-six rental/purchase units to meet Tribal membership shelter needs.

Five Winter storms, generating gale winds over 90 mph have damaged existing dwellings creating an unusually high demand for HIP assistance. Although actual housing needs will be addressed through HUD appropriations, a need for repair resource through HIP is critical.

The Quileute Tribe opposes the transfer of JOM to the Department of Education. JOM through the BIA offers the only real Indian parental leverage in the public schools to ensure an effective education. This program provides the only real flexible financial resource to assist our teenagers to cope and succeed in the educational process. Transfer into the Education bureaucracy will simply kill the JOM unique effectiveness.

In closing, we thank the subcommittee for its time and consideration of issues and concerns expressed by the Quileute Indian Tribe. Tribal governments are unique to the Federal system. In this period of transition to self-sufficiency, we request that appropriations to Tribal governments be maintained.

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESS

JEWELL P.W. JAMES, LUMMI INDIAN BUSINESS COUNSEL

Mr. DICKS. Mr. James.

Mr. JAMES. My name is Jewell James. I am here in the place of Larry Kinley, our tribal chairman.

The Lummi Indian Nation urges this subcommittee and the Congress to restore BIA/IHS appropriations to fiscal year 1986 levels and to provide protection for tribal government operations and the primary direct services to American Indian people facing hardship and health needs. Indian nations have borne the appropriations reduction under Gramm-Rudman sequestration from all Federal sectors creating government operational instability and service reductions bordering on the choices of who will receive services and live balanced against who won't receive services.

The subcommittee and Congress must seriously consider exempting tribal government operations and essential direct services from the definition of "program, project and activity" in the fiscal year 1987 Gramm-Rudman sequestration process for the BIA/IHS allowing the administrative elements to bear the sequestration.

The way it is targeted now, the cuts will start coming directly out of the services that impact our people on the reservations the most, and we are requesting that if there is gong to be cuts, they occur within the administration further up and that people are not made to suffer for it.

As you know, we are very dependent on our fishing activity and we are also a participant of the treaty negotiations between the United States and Canada. Part of our participation as well as the other tribes is there was an agreement and offers the United States will assist us in enhancement activities so that the fish that were surrendered to the Canadians for equitable balance would be replaced by other species.

However, in regards to enhancement, there has not been any increased funding to renovate our 16-year-old hatcheries. Now, we need $800,000 to do that and time is running out.

This is the fourth year we have come here and in regards to just our individual tribe, it looks like the expected revenue that would have been generated had we not been appointed in U.S./Canada negotiations, and that process estimates to be $7 million.

In regards to other issues, we are requesting the administrative reduction of $400,000 for United States/Canada be restored to the fiscal year 1986 level of $1.4 million.

In regard to the administrative reduction of $347,000 in hatchery operation management, we request that it be restored to same levels as fiscal year 1986.

Also, we oppose the transfer of Johnson O'Malley to the Department of Education.

In regards to law enforcement, we also have a request that funding be made available in the tune of $250,000 to meet the demands. We are understaffed.

We are like other tribes when we submit application. It is not based on need. It is just based on what the department can surrender from other line items. So that people are not getting the services that are needed.

We are requesting that there is protection of the BIA general assistance and the Indian child welfare assistance from Gramm-Rudman cuts.

We are requesting that there be support for our alumni day school which is grades K to 8, as well as our community colleges which is highly emphasizing the development of business management in troop ship schools among our tribal people. The tribe has foreign trade zone provisional designated status at this time. We expect in a short while that status will be given to the tribe and will then be working in the areas of import/export relationships and we expect that to be really a make-work activity provided, of course, that the tribe would be able to actually use some of that bonding capacity that was addressed in the 1982 Indian Tax Status Act, and also provided that there are not cutbacks in regards to the municipal bonding capacity and port authority process of Section 103 of the Code.

The tribe requests that the contract support funds be maintained and increased to ensure effective management.

Mr. DICKS. Mr. James, what is your tribe? What do the alumnus receive from the BIA and other Federal agencies?

Mr. JAMES. I am sorry. I am not qualified to answer that.

Mr. DICKS. Send it back for the record. I am curious to see where we are standing.

Mr. JAMES. Yes, sir.

[COMMITTEE NOTE.—The information will be maintained in the committee files when received.]

Mr. DICKS. I think it would be useful if you could kind of lay it out what comes from where.

Mr. JAMES. We are quite concerned because in regards to the hatchery operations a substantial——

Mr. DICKS. Do it over the last couple of years so we can see what the cuts have been and where it has affected you.

Mr. JAMES. Yes.

Mr. DICKS. You all can do that, Joe, if you want to do that, too, and Walter.

All right. Well, I want to say thank you for coming in. You have three outstanding tribes and try to do the best job you can. I wish I could hold out more of a optimistic picture for you this year, but Congress is going to be under enormous pressure to make reductions in a lot of budgets and we will do the best we can and we appreciate your testimony and being here on time today. Thank you.

Make sure you talk to Congressman Swift and Congressman Bonker, too, and our Senators.

[The statement of Mr. James follows:]

LUMMI INDIAN BUSINESS COUNCIL
2616 KWINA RD. • BELLINGHAM, WASHINGTON 98226-9298 • (206) 734-8180
DEPARTMENT: ____________________ EXT. ______

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Testimony of Jewell P.W. James representing
Lummi Indian Nation
Before the House Interior Appropriations Subcommittee
Regarding the FY87 BIA and IHS Budgets
March 6, 1986

The Lummi Indian Nation urges this subcommittee and the Congress to restore BIA/IHS appropriations to FY86 levels and to provide protection for Tribal government operations and the primary direct services to American Indian people facing hardship and health needs. Indian nations have borne the appropriation reduction under Gramm-Rudman sequestration from all Federal sectors creating government operational instability and service reductions bordering on the choices of who will receive services and live balanced against who won't receive services. The subcommittee and Congress must seriously consider exempting Tribal government operations and essential direct services from the definition of "program, project, and activity" in the FY87 Gramm-Rudman sequestration process for the BIA/IHS allowing the administrative elements to bear the sequestration. Further reductions will simply reverse the self-determination process forcing contract retrocession and administrative chaos.

The Lummi Indian Nation is committed to a future of self-sufficiency through economic and human resource development. The Lummi Indian Tribe, geographically located on the Northwest Coast of Washington State, currently operates the largest American Indian fishing fleet in North America. A majority of the 2500 enrolled Lummi Tribal members depend on the fishing industry, either as independent fishermen or as employees in commercial Tribal ventures, for their livelihood. The reservation borders prime commercial fishing and recreational boating areas as well as traditional shipping lanes. The future self-sufficiency of the Lummi Tribe depends on the management, enhancement, and harvest of the fisheries resource; the carefully planned utilization of a natural harbor area; and the attraction of private enterprise to the reservation.

The Lummi Indian Nation recently was awarded provisional designation for a 120 acre Foreign Trade Zone by the Department of Commerce chartered under the Tribe to attract domestic and foreign private enterprise. The Tribe plans to capitalize on its prime geographic location to develop infrastructures attracting private investment and creating a climate for Tribal business enterprise development.

The Lummi Tribal fisheries sustained significant loss of salmon harvest potential in the U.S.-Canada Pacific Salmon Treaty to ensure sustained yields to the Puget Sound, Coastal, and Columbia River and accommodate equitable U.S.-Canada distributions. In the next four years, the Lummi Tribal fisheries will lose rights to 3.32 million Fraser River Sockeye and 2 million Pink Salmon valued at over $7 million dollars. Intensive hatchery enhancement of Chum, Chinook, and Coho salmon species outside Canadian interception jurisdiction will be an extremely important replacement initiative to sustain the economic vitality of the Lummi commercial fisheries.

Major renovations and expansion on existing 16 year old facilities to modernize operations, reduce production expenses, and increase annual yields and alternative species will require an appropriation of $800,000. For the record, this will be the fourth year this scientifically and economically documented need has been presented before this Committee for consideration. Although enhancement for lost stocks was a promise to Tribal representatives during the U.S.-Canada Treaty negotiations, lost income and unemployment have been our rewards for cooperation. Time has run out regarding lost stocks for our fishermen and continued disregard by the administration are creating only controversial options.

The Congress provided $1.4 million for Columbia River Inter-Tribal Fish Commission and Northwest Indian Fish Commission management coordination for Northwest Tribal participation in the U.S.-Canada Treaty. The administration request reduces this amount by $400,000. We request this program be restored to FY86 levels.

The BIA FY87 Appropriations Justification for Wildlife and Parks again proposes to reduce all Tribal hatcheries operations and maintenance appropriations by $347,000 with Lummi hatchery O&M to be reduced by $36,000. The administration has misnamed the Congressional restoration of the $347,000 as an "add-on" when, in fact, the subcommittee "restored" these funds to an an FY85 level. We appreciate the Congressional restoration in FY86 and request these funds be again restored in FY87 to the FY85 level.

The primary concern of the Lummi Tribe is the well-being of the Tribal membership ranging from family stability and housing to the social infrastructure requirements of health, social, educational, and community services. The administration continues to exhibit a surprising disregard for these basic human needs and we urge this Committee to restore support for human service delivery system. The newest proposal to abolish Tribal control over JOM by transferring this program to the Department of Education and burying it in a lump-sum State-managed program is opposed by the Tribe.

American Indian families have been severely stressed over the past century creating alarming patterns of family disintegration with the breadth of disruptive social behavior from substance to child abuse; separation and divorce to generations locked into low educational achievement and poverty. The Committee is urged to give serious consideration to an IHS and BIA program emphasis on family support mechanisms. In this regard, we request an increase in Indian Child Welfare appropriations so all Tribes may adequately participate. And, a complete restoration of appropriations for the CHR program so responsive to individual and family health needs and disease prevention should be given every consideration.

The Lummi Indian Nation population reflects that over half our membership is under eighteen years of age. No Federal assistance is available for alcohol and drug abuse prevention or mental health promotion for our children as compared to State funding formulas. Again, we request a pilot program initiative supporting guidance, counseling, and substance abuse diversion.

The Lummi Nation law enforcement program was reduced further this year while demand for services, incident reports, and arrests increased. The law enforcement assistance is extremely limited for a Tribe located in close proximity to metropolitan areas. Therefore, we request a budget in FY87 of $215,000 in law enforcement for four officers, a sergeant, and one half-time police chief, criminal investigator, and operational expenses to provide adequate protection and begin to actually reduce crime on the reservation.

We appreciate the Congressional earmark of $43,000 in FY86 for model Lummi judicial services and request instructional language that this special initiative be maintained in FY87. Judicial services are essential to a functional Tribal government. Our judicial system and Tribal systems nationwide need adequate appropriation support to provide efficient justice.

The Lummi Child and Family Services program provides an extremely important professional support function to those Tribal members most in need. These services currently handle 135 wardships and 18 foster placements, as well as the oversight of 8 authorized foster homes with a total capacity of 28 children. Child abuse, including sexual abusement, is a critical concern for the Child and Family Services staff. Program staff, tapping a wide variety of Federal, State, and local resources, provide services from infants to the elderly, the poor and unemployed. The utlization of multiple resources strains the program administration capacity to efficiently coordinate and manage. Increased appropriations for social services, nationwide, is needed to compensate for the reductions in already limited State services.

The Indian Child Welfare program, providing the necessary support to keep children in the Tribal community and sponsor those returning home, is purportedly to be cut by over fifty percent in FY86 to accommodate the Gramm-Rudman reductions. These disproportionate reductions are required to hold harmless general assistance, WIC, and foster care. The BIA general assistance, comparable to AFDC and WIC, are held harmless under Gramm-Rudman for the non-Indian population nationwide, but are subject to Gramm-Rudman cuts as an Indian service program. We simply ask for fairness by restoring ICW funds to FY86 levels (pre-Gramm-Rudman sequestration) and hold the general assistance, WIC, foster care, and ICW harmless from FY87 reductions.

Tribal education efforts include K-8 educational services to approximately 80 students and the Lummi Community College also addressing the needs of approximately 80 students. BIA assistance for both educational institutions should be maintained. The community college is currently offering limited instruction in Tribal administration to up-grade Tribal staff efficiency, entrepreneurship in fisheries to increase our fishermen's business skills, and general entrepreneurship to improve the business venture options for local skilled craftsmen. The Lummi Nation through its community college hopes to create replicable educational models in Tribal administration and entrepreneurship through BIA assistance.

The issue of contract support funds and indirect cost need to be addressed through both the appropriations and authorization processes. In terms of appropriations, limitations on contract support funds are placing Tribes in jeopardy of Inspector General penalties and effective program management. And recently, the BIA Indian Child Welfare program guidelines set limits on CSF costs as a consideration in competitive review virtually dictating CSF levels and impeding Tribal management. CSF or indirect costs must be available at prescribed levels as negotiated to ensure effective management and quality services.

In conclusion, we request Congressional support for the basic Tribal government operations and the necessary direct services for those in need. Tribally expressed priorities should be protected from further sequestration in FY87 in the BIA and IHS as there is no further room for budget cuts.

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE CLINIC

WITNESS

MELVIN SAMPSON, YAKIMA INDIAN NATION

Mr. DICKS. Melvin Sampson. Nice to have you here representing the Yakima Indian Nation and we will put your entire statement in the record and you may proceed as you wish.

I think it will probably be best if you could summarize and make your major points in the time that we have.

Mr. SAMPSON. I want to express my appreciation for you chairing this, so I will proceed to summarize.

Our tribe, being in the State of Washington, is in the south central area with 7,400 plus members. The first thing I would like to address is the Indian Health Service Clinic of which through the efforts of this committee and the Senate committees, they devised a rating system for replacement and renovations of hospitals and clinics. The Yakima clinic has been rated number one nationally for replacement.

Last year, there was engineering design moneys that were appropriated to carry out this activity and they are now currently being held through the rescission process which we obviously oppose, and this puts some time constraints on it. But there is back-up information that I have submitted for the record aside from this testimony that qualifies the whole process as far as the replacement of the clinic goes.

The amount for construction as indicated in our testimony is a little over $10 million that we would request for fiscal year 1987 pursuant to the procedure this committee has addressed.

That is the main area as far as the Indian Health Service area goes.

Concurrent with that, we have in the Portland area, as you are probably well aware of, a function on contract care situations and we are grossly impacted by the reductions with Indian health budget of contract care.

This will be further substantiated in the northwest Portland area in health board testimony of which this tribe fully supports. We stand with other tribes with grave concern about the elimination of the respective programs within the Indian Health Service that the administration is proposing to do and they are listed within our testimony and they will be listed in the area of the health board's testimony.

Jumping to our concerns within the BIA, the Yakima Tribe is a little over half way through with a soil survey that this committee graciously appropriated funds again for last year, and again in order for us to complete and continue this soil survey which we need for obvious reasons such as land use and for the proposed State of Washington versus Acquavella and Yakima River Basin enhancement plan.

We are again requesting funds to continue our soil survey. We have the same concerns as far as the other areas of the BIA budget being proposed for reduction or elimination. That is as far as fisheries goes. As the previous testimony by the previous tribes, we are getting probably only about a third of what we have requested or need to carry out our activity and responsibilities as far as the boat decision and the other areas of the BIA budget within the education areas. We have concerns about the reduction and eliminations and we, too, oppose or would like to be consulted from the standpoint of the authorization for the transfers are going to proceed within the Department of Education areas.

That basically highlights and summarizes my testimony.

[The statement of Mr. Sampson follows:]

TESTIMONY OF
MELVIN R. SAMPSON
CHAIRMAN OF
THE YAKIMA TRIBAL COUNCIL
ON THE
PROPOSED FY87 BUDGETS
OF THE
BIA AND THE IHS

Presented to the
House Interior
Appropriations Subcommittee
March 6, 1986

MR. CHAIRMAN, honored Committee members, I am Melvin R. Sampson, Chairman of the Yakima Tribal Council. I want to extend my appreciation to you in allowing us an opportunity to present our testimony. As I mentioned in my letter to you, I know that these marathon hearings are trying on you and your staff; but it does mean a lot to the Indian people.

The Yakima Indian Nation, a treaty tribe, is located in south central Washington state on approximately 1.3 million acres and as such, we have one of the largest reservations in the United States. We have an enrollment of over 7,400 members. The combination of the above two factors leaves us with some very awesome responsibilities.

Indian Health Service (IHS)

The most important issue I need to bring to your attention, and on which I ask this Committee's support is for the appropriation of funds to allow for the construction of the Toppenish Health Clinic. At this Committee's direction, the Indian Health Service has established a priority ranking system for determining recommended construction of Indian health facilities. As you know, the Toppenish Clinic is now the number one nationally ranked clinic for replacement by the Department of Health and Human Services. In realization of this rating, both the House and Senate Appropriations Committees did recommend engineering and design funds in FY86 for our clinic and those funds were appropriated in P.L. 99-190 ($622,000). We are very upset that the Administration chose to submit the massive rescission request that they did for the IHS at all, and further, that our design funds were included in the rescission. We are hopeful that the Congress will not approve the rescission and would even urge that Congress consider passing a resolution to expedite the disapproval of the rescission and not allow the Office of Management and Budget to wreak havoc on Indian health by impounding these funds for 45 legislative days.

The number of outpatient visits at our present facility has increased 120% from 19,156 visits in 1970 to 42,085 visits in 1984, without any significant increase in clinical facility space. The health center now ranks as one of the busiest in terms of outpatient visits, of all Indian Health Service free-standing ambulatory care facilities. We have actually had to service the health needs of our people in temporary trailers, we are so overcrowded. The inadequacy of the present facility and its negative impact on the health of the Yakima people has been well documented along with the positive impact of a new facility.

This Committee has had made available to it the 50-page Program Information Document (P.I.D.) for the Toppenish Clinic dated January 1985. I would today like to leave with the Committee a copy of the Program Justification Document (P.J.D.) most recently prepared by IHS which further qualifies the need. The P.J.D. calls for completion of the design and the beginning of construction during FY87. I am also going to leave with the

Committee, for your files, a one-page document which highlights some of the positive aspects of constructing the facility.

In their views and estimates to the Senate Budget Committee, the Senate Indian Affairs Committee has recommended full construction funding in FY87 for our clinic. The House authorizing Committee has recommended restoration of funds for facilities to near '86 levels and thereby permitting funding for facilities on top of the priority list, of which we are the first.

Based on the most recent data available from IHS, we ask the Committee to appropriate $10,465,175 for the construction of the Toppenish Clinic. This figure would include all site development, construction and necessary Group II and III equipment.

An area of concern we have relative to the FY87 IHS Budget is in regard to Contract Health Services (CHS). You will be receiving testimony from the National Indian Health Board and from the Northwest Portland Area Indian Health Board, both of whom will fully address the significant lack of CHS dollars available to tribes, particularly in the northwest, where there are no IHS hospitals and where there is a significant reliance on CHS dollars. We want to support and echo the comments of these organizations. We are now having to limit CHS funds to urgent and emergency services needed to prevent death within one year. On the Yakima Reservation alone our need for CHS funds this year is expected to be three-quarters of a million dollars more than the amount we are slated to receive.

We really feel that it is a national disgrace that the Administration would propose a $30 million reduction in contract health care at a time when dollars are already so short that a life-threatening catastrophe is required for funding.

Because of the limited time to present this statement, I will not address any more of the IHS proposed budget, but will again lend my tribe's strong support to the comments of the National Indian Health Board and the Northwest Portland Area Indian Health Board.

Bureau of Indian Affairs

Our principal request of this Committee relative to the FY87 Bureau of Indian Affairs budget is to urge you to continue funding as you did last year, for the Yakima Reservation Soil Survey project. Our testimony from last year requested $545,000 in FY86 and equal amounts for the succeeding two fiscal years. The need to have a comprehensive assessment of the soil on our reservation has recently taken on a newfound urgency. Recently, the Justice Department has told the Yakima people that because they have been enjoined in the State of Washington v. Acquavella water adjudication case, that they will include our water rights in that case, whether we like it or not. Circumstances may necessitate that we will have to enter into this case on our own, yet we do not even have complete data as to what soil on our reservation is irrigable on which to base a claim to water. Furthermore, we do not have any funds available with which to litigate and hire experts should we be forced to intervene. If this were not enough, we now have the State of Washington and the Bureau of

Reclamation pushing the tribe to make very important decisions on the Yakima River Basin Water Enhancement Project which would include major on- and off-reservation water storage and irrigation facilities and again we do not have the technical data on which to participate and make decisions. Beyond these pressing needs, it is simply necessary for the tribe to have a full evaluation of the vegetation, water, soil and other natural resources existing on our reservation to support the land management of the Yakima Indian Nation and to determine the feasibility of future economic growth.

Other Areas of Concern in the BIA Budget

On Reservation Fisheries Management

Mr.Chairman, as I mentioned at the outset of my testimony, we have a very large reservation on which we have responsibility for over 500 miles of rivers and streams in the Yakima and Klickitat Rivers and tributaries. This area is by far the largest of any of the Boldt case tribes, yet our fisheries budget is much less than many other tribes are receiving and who have a fraction of our on-reservation fisheries responsibilities. I am submitting some supplemental information for your files further documenting this need.

Education

We are very concerned with the proposed FY87 reductions in the BIA and OIE in the area of education. We are particularly worried over the proposed reductions in higher education, Johnson O'Malley and the Indian School Equalization Formula. We hope that this Committee confers with the tribes prior to agreeing with any of the Bureau's proposed organizational changes relative to education.

In conclusion, Mr.Chairman, we realize the constraints you are under but we just cannot believe that it is fair to cut dollars to Indian tribes who have so little already and who have given up so much. We request that this Committee endeavor to at least freeze the budgets for the BIA and IHS at the Congressionally appropriated FY86 levels.

Thank you as always for your concern and your compassion.

Mr. DICKS. Can you tell me how much in resources the Yakima Tribe receives from the Federal Government?

Mr. SAMPSON. I will be more than glad to get that information back to you.

[COMMITTEE NOTE.—The information will be maintained in the committee files when received.]

Mr. SAMPSON. I would just like to expand on that question. You know, if you are talking about the contracts that we and those other tribes are asked to present, if you mean to include also the programs that by choice the tribes choose the 638 or if it is money that the Bureau gets for tribe and contract, there is a difference in those two processes so when we comply, we will differentiate between those two.

Mr. DICKS. I think it is important to start developing a record of just what the tribes are. In fact, tribes come in and ask for various help on projects, but I think it would be useful to understand the kind of support tribes are getting today either through the contract process or through the various Government programs.

Mr. SAMPSON. Yes. We get fisheries money. We contract for schools and some of these things and we will break it all out and get the precise figures to you. Be more than glad to.

Mr. DICKS. All right. Thank you very much. Good testimony. Appreciate your keeping on schedule.

THURSDAY, MARCH 6, 1986.

FORESTRY, EDUCATION

WITNESS

LARRY CALICA, WARM SPRINGS RESERVATION

Mr. DICKS. Now we will have Larry Calica from Warm Springs.

Mr. CALICA. Good afternoon.

Mr. DICKS. Nice to have you here and we will have your entire statement put in the record.

You have five minutes. You may proceed as you wish. Probably the most useful thing would be to summarize, if you would.

Mr. CALICA. Thank you, Congressman.

There are three things I would like to focus on this afternoon. The first is the special alcohol program on the Indian Health Service; secondly, forest development backlog program; and then the Johnson O'Malley program.

First, I would like to thank the committee for supporting our efforts in the alcohol program. We are pleased to report that the results so far have been positive and we would like to see that continued.

The tribal effort that is our participation in that program has been about two-to-one, that is, two tribal dollars for every Federal dollar, and it is our understanding right now that the Federal dollars are inside the IHS budget and we would like to see that stay intact. It represents about $125,000.

In forest development, since that program began in 1977, to eliminate a particular backlog of work, we have been able to reduce that backlog from 77,000 acres to about 28,000 acres.

Mr. DICKS. That is very good.

Mr. CALICA. To eliminate the rest of that, it would take 15 years if funding were continued at the 1985 level. In a sense, that is what we are asking here if we could have that particular program remain at the 1985 level. It would amount to about $3.75 million. Look at that. The 28,500 acres is about 9 percent of our commercial forest that is not in full production now.

We are concerned that if that is reduced that is just going to extend the time out and reduce the return on those dollars.

Lastly, on the Johnson O'Malley, we are satisfied with where the program is at and the level of support, so we would like to see the Johnson O'Malley program stay in place and the funding also stay in place.

[The statement of Mr. Calica follows:]

THE CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON

Warm Springs, Oregon 97761/503 553-1161

TESTIMONY OF LARRY CALICA,
ACTING SECRETARY-TREASURER,
THE CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION OF OREGON
BEFORE THE
HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR
AND RELATED AGENCIES,
MARCH 6, 1986

Mr. Chairman, I am Larry Calica, Acting Secretary-Treasurer for the Tribal Council of the Confederated Tribes of the Warm Springs Reservation of Oregon. I am here today to request that the Indian Health Service pilot alcoholism treatment program at Warm Springs be continued, that the Bureau of Indian Affairs Forestry budget for eliminating the forest development backlog be increased by $ 3.75 million, restoring it to the level set in FY 1985, and that the proposed transfer of the Johnson-O'Malley education program from the Bureau of Indian Affairs to the Department of Education not be carried out.

First off, I want to thank this Committee for its continued support for Indian programs. One of the programs that has been supported by this Committee that is of great significance to us at Warm Springs is the pilot alcoholism treatment program. Since the program's start in 1985, the results have been positive. This program has demonstrated clearly the commitment of the federal and Tribal government to this illness. The initial return of this commitment indicates that more people are seeking treatment and individual client profiles show improved productivity and better family relationships. The Tribal support of this effort by matching two dollars for every federal dollar underscores our commitment. We invite and encourage the continued support of the federal government. It is our understanding that the federal amount of $125,000 is included in the FY 1987 I.H.S. proposed budget for alcoholism, but it is not specifically identified. We just wish to assure that the program continue intact.

Now, moving on to forestry, the Warm Springs Reservation has 315,000 acres of commercial forest land. Its annual allowable cut of 100 million board feet is our Tribes principal source of income and generates hundreds of jobs both on the reservation, where we have our own sawmill and plywood plant, and in the nearby communities. The maintenance of this renewable resource is of vital concern to us. We are particularly concerned with how this long term trust asset is being managed by our trustee, the Bureau of Indian Affairs.

At Warm Springs, we are continuing to work cooperatively with our trustee. We believe that our unified efforts are moving the management of our present full production forest to a level of adequate long term management. However, there is still significant acreage on our reservation that bears the consequences of earlier years when the federal government took a considerably more lax attitude toward its responsibilities for maintaining and protecting our forest asset. The drastic cut that is being proposed to the Forest Development backlog reduction program will, we believe, greatly extend the period of time it will take to correct these errors and bring our forest into full production.

Today, according to our records, a backlog of approximately 9% of our existing commercial forest acreage remains out of full production. Of the original 77,000 acres in need of both thinning and reforestation, 28,000 acres, most of which requires reforestation, are still in need of intensive forest management. If funding is restored to its FY 1985 level, it would still take, according to the B.I.A., about fifteen ;years to complete the program.

The Forest Development efforts at Warm Springs have been accomplished through the Forest Development "add-on" money annually appropriated by Congress since 1977. Even at our accelerated time table to bring the Warm Springs forest back into proper, prudent state-of-the art management, we will not complete this backlog program until 2001. Mr. Chairman, I cannot understand our trustee's proposition of drastically reducing the funds directed by Congress to correct a woefully mismanaged trust asset. Therefore, Mr.Chairman, we request that the Forest Development program be maintained at its full FY 1985 - 86 level.

On the matter of Johnson-O'Malley, I must admit that I am unable to put much faith in the Administration's word that it wants to transfer J.O.M. to the Department of Education simply to streamline the delivery of education services to Indian children. Just last year, it was the Administration's proposal to do away with Johnson-O'Malley altogether. Now, they want to transfer it, but claim that such a switch would need new authorizing legislation. To our knowledge, no such legislation has been circulated for Tribal review, and the one brief comment in the Budget Appendix suggests that the bill would provide that the newly combined J.O.M. and Title IV funds would be distributed to the states rather than to the Tribes, where J.O.M. funds now go. But without respect to the contents of any legislative proposal to transfer Johnson-O'Malley,there would be no authority to implement the new combined program in the Department of Education until such a new authorizing bill was passed and signed into law. So, if the J.O.M. funds are dropped from the B.I.A. budget before a new authorizing law is enacted, those funds would, in effect, disappear.

For us at Warm Springs, we are pleased with the Johnson-O'Malley program as it is now. We see no advantage in moving it.Mr. Chairman, I would request that the Johnson-O'Malley education program be left where it is now - in the B.I.A. - and that it be left at its full funding.

Mr. Chairman, thank you for your time.

Mr. **Dicks**. I appreciate particularly your testimony on the Johnson O'Malley. That will be taken very seriously into consideration by the committee.

It is proposed to do that in the budget, but apparently this committee will have to decide whether we favor that or not and I will certainly let Mr. Yates and other members of the committee know of your concern about this particular issue.

Mr. **Calica**. Thank you.

Mr. **Dicks**. We appreciate your good statement and your summary. Thank you very much.

Mr. **Calica**. Thank you.

Thursday, March 6, 1986.

FORESTRY

WITNESS

MIKE CLEMENTS, THE INTERTRIBAL TIMBER COUNCIL

Mr. **Dicks**. Mike Clements, the Intertribal Timber Council.

Mr. **Clements**. Good day, Mr. Dicks. Glad to see you chairing this.

Mr. **Dicks**. Glad to have you here.

Mr. **Clements**. Good to see you again. We had you out in Albuquerque, I believe, to speak to the Intertribal Timber Council a couple years back.

Mr. **Dicks**. It was a very exciting day because the tower blew down or something and we couldn't land the airplane and had to fly back and come in the next day. It was extremely interesting. It is a trip that I will not forget ever.

Mr. **Clements**. We hope to have you out again.

Mr. **Dicks**. That is what they were doing. They were tarring the runway or something. It was a tough day to get in. I would like to come again.

How are you doing?

Mr. **Clements**. Just fine.

Mr. Chairman, I am here today as President of ITC. I am here to request the restoration of the $3.75 million to the Bureau of Indian Affairs for estuary programs, special forest developments account and the retention of that activity as a separate component of the forestry programs budget.

Mr. Chairman, our organization has grown from some nine tribes back in 1976 to representing over 41 tribes in today's association. Our properties in these tribes represent some one billion board feet of timber that sustains these tribes. The forestry resource, Mr. Chairman, is one of the principal elements of the reservation economies today and one of the most significant renewable resources available to Indian people. We are very concerned about that.

I also want to express our appreciation to the efforts of this subcommittee over the two years to protect, develop and manage our forest lands for the Indian people. Mr. Chairman, back in 1985 after this subcommittee reviewed and found the BIA's forestry program deficient, a vitally needed appropriation increase was initiated that brought us from $5 million up to about $8.3 million.

In 1986, this subcommittee sought to maintain that despite the administration's proposal to reduce them. Here again, Mr. Chairman, in the 1987 budget, once again, the BIA has selected the forestry program and, in particular, forest development backlog program to bear a lion-sized share of the Federal budget deficit reduction.

We believe we should take a share, Mr. Chairman, but when share amounts to shouldering the gross amount, we feel an objection must be raised. The $3.75 million cut allotted to this forest development program in managing the Indian forest represents the largest cut to any program in the BIA.

Operation of the Indian programs in 1986 appropriation figures included the $4.3 Gramm-Rudman cuts and the $3.75 million in forest development is about 12 percent reduction. However, we want to point out that in total and reality it is a 44 percent cut to the forest development program itself, which is, we feel, just too large of a cut.

There are still some 500,000 acres underrated out there, which is nearly 8 percent of all the commercial Indian forest lands and with the movement of the $2.4 million out of the special backlog reduction to the new tribe agency operation, all of which is subject to the tribal priority setting, it is possible that we could end up with only $2 million left in the forestry development program.

That would just not be enough to continue the efforts that this subcommittee has seen fit to carry on through the years.

Mr. Dicks. We will do our best to help you. I would really strongly suggest that with the kind of support you have in your organization that you make sure you talk to as many members in both the House and the Senate on the Interior Subcommittee and build as much support as you can.

Mr. Clements. We are very concerned about those dollars and would appreciate your assistance.

[The statement of Mr. Clements follows:]

Intertribal Timber Council
P.O. Box C, Warm Springs, Oregon 97761 (503) 553-1161

TESTIMONY OF MICHAEL CLEMENTS, PRESIDENT, INTERTRIBAL TIMBER COUNCIL BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES
MARCH 6, 1986

Mr. Chairman, I am Mike Clements, President of the Intertribal Timber Council. I am here today to request the restoration of $3.75 million to the Bureau of Indian Affairs Forestry program's special Forest Development account and the retention of that activity as a separate component of the Forestry program's budget.

The Intertribal Timber Council was formed in 1976, and today has a membership of 41 Tribes whose commercial forest lands comprise most of the approximately six million commercial acres under B.I.A. trust management. These lands sustain an annual allowable cut of one billion board feet, which supports a B.I.A. estimated 10,000 jobs on and around their reservations. Clearly, the Indian forestry resource is one of the principal elements of reservation economies today, and one of the few significant renewable resource available to the Indian people.

The amount of importance that the timber Tribes place upon this resource cannot be overstated - for most, it represents their best hope for a better future, and so, for the Tribes of the Intertribal Timber Council, I want to express our appreciation for the efforts made by this Subcommittee over many years to assure the adequate protection, development, and management of our forest lands. It is unfortunate, however, that the tenor of these times require that I must again come before you to seek your assistance in maintaining what we have.

In FY 1985, after a review by this Subcommittee found the B.I.A.'s Forestry program severely deficient, a vitally needed appropriations increase was instituted to assure that the B.I.A. could meet its trust responsibility for the proper management of Indian forests. Included in that adjustment was an increase in the special Forest Development backlog reduction program, which, although originally intended to be completed in FY 1986, was extended with a new completion target of the early to mid 1990's. For FY 1986, this Subcommittee sought to maintain those efforts, despite the Administration's proposal to reduce them. Now, for FY 1987, the Administration has once again selected the B.I.A. Forestry program, and in particular the Forest Development

BOARD OF DIRECTORS
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Lac Du Flambeau Band of
Lake Superior Chippewa
Lummi
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Nez Perce
Northern Cheyenne
Passamaquoddy
Quileute
Quinault
Sealaska
Seth-De-Ya-Ah
Shaan-Seet Inc
Siletz
Spokane
Stockbridge Munsee
Tanana Chiefs Conference, Inc
Tlingit & Haida Central Co
Tulalip
Tule River
Turtle Mountain
Umatilla
Warm Springs
White Mountain Apache
Yakima

backlog reduction program, to bear a lion's sized portion of the federal deficit reduction scheme.

Mr. Chairman, deficit reduction is an unfortunate fact of life these days. We recognize that it is a difficult situation which we all must share together. However, when "sharing" amounts to shouldering a gross preponderance of the B.I.A.'s budget cuts, we feel that an objection must be raised.

The $3.75 million cut alloted to the special Forest Development program for eliminating the backlog of federally mismanaged Indian forests represents the largest cut to any program in the B.I.A. Operation of Indian Programs. Using FY 1986 appropriations figures including the 4.3% Gramm-Rudman cuts, the $3.75 million cut in Forest Development is about a 12% reduction in the entire Forestry budget for FY 1987. It is a 44% cut to the Forest Development program itself.

Why an Administration that espouses Tribal economic development should choose one of the Tribes 'principal renewable trust resources for its harshest cuts is difficult to understand. The Administration's proposed cut will further delay the elimination of the Forest Development backlog, costing the timber Tribes millions of dollars in unrealized income for many years into the future.

In this Subcommittee's FY 1985 hearings, the B.I.A. acknowledged that, if funded at a level slightly more than that proposed for FY 1987 by the Administration, the mismanagement backlog reduction would not be completed until sometime "into the next century". The approximately 500,000 acres still untreated represent nearly 8% of all commercial Indian forest lands. In fact, with the movement of $2.4 million out of the special backlog reduction account to the new Tribe-Agency Operations account, all of which is subject to Tribal priority setting, it is possible that only the $2 million left in Forestry could remain dedicated to the elimination of the backlog, which would be coming very close to having no program at all.

With respect to the new Tribe-Agency Operations account, on the behalf of the Intertribal Timber Council, I request that the $2.4 million in special Forest Development backlog reduction funding transferred to that account be returned to the Forestry program. On general grounds, the creation of the new account is being done with no Tribal consultation. In a time when there is tremendous downward pressure on the budget, the implications for such a change could be significant to the Tribes, particularly when funding for trust functions is being included. The portion of the backlog reduction funding included in the new account will lose its separate identity in future years. The federal government could be able to sidestep its obligation by saying that it is up to the Tribes to decide how to use those funds, and if the Administration proposes reduced budgets, the Tribes will be forced to chose between the insufficiencies, further enabling the B.I.A. to avoid owning up to its trust responsibility failures. By taking a portion of the backlog reduction funds into the Tribe-Agency Operations account, the timber Tribes believe they are being forced to accept responsibility for clearing up the B.I.A.'s history of mismanagement of Indian timber. We believe it is a reduction of the federal trust responsibility, and in any event, the Tribes do not want to be handed a program that has been cut in half. The B.I.A. must continue to be held accountable for the correction of its past mistakes, so we request that the special Forest Development backlog reduction account be returned to the Forestry program where it can be identified as the separate, special purpose trust responsibility program that it is.

Mr. Chairman, the hugely disproportionate cut taken in the B.I.A. Forestry program and the shifting of a portion of the backlog reduction funds over to being a Tribal responsibility in the Tribe-Agency Operations account are unsettling. It is particularly disturbing that the Administration has decided to attack the one significant Indian resource that holds long term promise for many Indian people, and which also requires proper care and management today in order to bear out that promise in the years ahead. So, I am here today to request that Congress not accept these proposals, and instead, restore the $3.75 million for Forest Development and keep that special program unified within the Forestry budget.

Mr. DICKS. The Chair is going to recess now so I can go over and vote and I will come right back.

[Recess.]

THURSDAY, MARCH 6, 1986.

FISHERIES

WITNESSES

BILL FRANK, JR., NORTHWEST INDIAN FISHERIES COMMISSION

JIM ANDERSON, DIRECTOR, NORTHWEST INDIAN FISHERIES COMMISSION

Mr. DICKS. The committee will come to order.

Mr. Bill Frank from the Northwest Indian Fisheries Commission.

Mr. FRANK. Thank you, Mr. Chairman.

I represent the Northwest Indian Fisheries Commission, and represent the treaty tribes of the Northwest, and on my right here is Jim Anderson, who is the Director of the Northwest Indian Fisheries Commission in case you have any question on my testimony.

I just wanted to touch on a couple of things in the base level funding for the tribes and see that the funding is maintained, and as the chairman knows, we have co-management out in the Northwest that is working.

We have cooperative, joint management, comprehensive plans that will be—we are on a schedule. Hopefully we will meet the schedule within the next year or two and the other——

Mr. DICKS. What is the base level?

Mr. ANDERSON. The base level funding for the Northwest Indian Fisheries Commission is approximately $876,000. In addition, we have two other sources of funds this past fiscal year, which one is about $109,000, and the other, $61,000, for the start-up of the U.S./Canada treaty.

Mr. DICKS. Okay. What does the budget do to you?

Mr. ANDERSON. The budget as proposed has appeared to maintain the base level funding for the Commission except there are some problems for the tribes. In particular, the hatchery O&M funding is down $347,000 from what it was finally decided last year through the appropriations process. That $347,000 is identical to the figure that was proposed for the reductions in the past, but was subsequently restored by Congress.

So we are real concerned that $347,000 be added back into that budget.

Mr. DICKS. All right. How much overall is going to be required for the U.S./Canada agreement?

Mr. FRANK. We have got $1.7 million right now for the Northwest Indian Fisheries Commission, but——

Mr. ANDERSON. Columbia River is about $700,000. Alan Pinkham will be on a little bit later and will be discussing the U.S./Canada budget in some detail.

Mr. FRANK. On the Columbia River Commission.

Mr. DICKS. Okay.

Mr. Frank. We wanted to thank Congress for appropriating this money to keep us alive out there. It means a lot to the tribes in the Northwest and put a comprehensive plan to go on. We have the U.S./Canada Salmon Treaty that is being implemented for the first year this year and hopefully the regimes will be worked out to get our salmon back to the Northwest and then down into the Columbia River and the coast of Washington, Oregon and California.

We think that is very important. We have got very close working relationships with the State of Oregon, the State of Idaho, the State of Washington and the Federal Government on the 200 miles and putting that very comprehensive plan together. The State of Washington and the tribes in Oregon are in the watershed plan which is on schedule with some of the requests of Congress and those schedules are going good and well and healthy. We want to thank you.

[The statement of Mr. Frank follows:]

Northwest Indian Fisheries Commission

6730 Martin Way E., Olympia, WA 98506 Phone (206) 438-1180

TESTIMONY TO THE HOUSE APPROPRIATIONS
SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES
REGARDING THE FY-1987 BUREAU OF INDIAN AFFAIRS (BIA) BUDGET
BY
BILL FRANK, JR., CHAIRMAN
NORTHWEST INDIAN FISHERIES COMMISSION
MARCH 6, 1986

Chairman Yates and honorable members of the House Committee on Interior and Insular Affairs, I am Bill Frank, Jr., Chairman of the Northwest Indian Fisheries Commission, which represents the Treaty Indian Tribes of Western Washington.

I am here today to tell you that there is new hope for the great anadromous fisheries resource of the Pacific Northwest. This new hope has emerged from the ashes of bitter conflict between Indian and non-Indian fisheries managers. There is a fisheries director in Washington State who promotes the negotiating table as a management tool, and who looks to tribal managers and biologists for guidance and direction. There is a governor in Washington who has had the courage to stand up in support of joint management, even as some constituents provide every form of pressure at their disposal to sway him from that course.

Our Congressmen, for the most part, support the wisdom of this concept with actions as well as words.

I am here to tell you that this cooperative management trail leads to many things. It leads to a healthy resource and to prosperous and rewarding sports and commercial fisheries. It leads to a place in the pages of history reserved for those few times when peace and reason have prevailed over ignorance and hostility. One of those pages may be written here today.

I am here to tell you that we can have peace and negotiation... if we all meet our obligations to the salmon. We have obligations, and so does the government. Our duty is to protect the fish with the same stewardship we have practiced for thousands of years. It is also our duty to coordinate our efforts with those of the state and federal governments, and to respect the need for you to be attentive to the elimination of the federal deficit.

It is your duty, of course, to be fully cognizant of the effects of the options you must choose from as you cast your votes and choose which programs to support, or not to support.

The trail of which we speak is not smooth. It has twists and turns and bumps and it would not be difficult to lose our way. I am here to ask you not to let this happen. We have come too far together and success is within sight.

Existing tribal fisheries programs are already lagging behind funding needs. To accentuate our point, we have prepared a Consolidated Tribal Fisheries Needs Assessment. This document provides a solid rationale for needed increases in funding. It is not a wish list. It is a statement of true need. Recognizing the difficult process you must go through in appropriating funds for competing projects, we offer this statement as support for an overall fisheries budget. Ultimately, these programs deserve support if we are to continue to follow the trail toward a healthy fisheries resource.

It is still difficult to comment upon the implications of the President's FY-1987 budget. However, it goes without saying that the budget, as suggested, would have significant impacts. Coupled with existing and possible Gramm-Rudman-Hollings reductions, these cuts could be devastating.

The budget does not include $347,000 for hatchery operations. These costs, which were proposed for reduction in the past year, were restored by a sensitive Congress. If $347,000 is lost by the Northwest Tribes, production of fish will decrease significantly. That amount represents almost 10 percent of the funding going to tribal hatcheries. A 10 percent reduction will translate to a loss of a technician at each hatchery or significantly less food for the fish.

The U.S./Canada Pacific Salmon Interception Treaty has already begun to provide a workable means to manage, conserve and rebuild the fisheries resource. In enacting this treaty, the United States obligated itself to prevent overfishing, enhance production and develop cooperative management plans with Canada. Both countries will receive more fish and increased returns on hatchery and habitat investments as a direct result of this important international agreement.

The Pacific Salmon Commission has come a long way in the past year and our belief is that this commission holds the future of the fisheries resource in its collective hands. But without your support and understanding, these hands may part and all that we dream of may vanish.

The tribal role in the Pacific Salmon Commission is to carry out a federal obligation. It is fundamental. With us, the treaty can succeed. Without us, it will fail. Our ability to perform this role partially depends on adequate funding. As painful as it may be to face, tribal fishery funding needs have increased, not decreased. The BIA budget for the U.S.Canada Treaty is only

$1.0 million in FY-1987, $400,000 less than Congress appropriated last year and less than half of the overall tribal need in 1987.

Please remember, our role in the implementation of this treaty is just one of the scenes we must play. The tribal role in fisheries management is, and must be, a full scale performance. We share your interest in controlling federal expenditures and we, too, want to see a balanced budget. But we feel that it is very short-sighted to cut existing programs such as hatchery programs which are the foundation for new obligations. The existing programs complement the Pacific Salmon Commission effort, and should not compete with it.

In summation, we urge you to support at least base level fishery management and hatchery programs in 1987. Our consolidated needs statement speaks for itself as justification for our programs. The U.S./Canada Treaty budget for the Department of Interior and Tribes needs to be increased to reflect a full year of operation. Only with such funding levels can the federal responsibility under the U.S./Canada Treaty be met.

Thank you.

Mr. **Dicks**. You have done a very good job out there in being a very constructive part of the solution on these issues and I want to commend you and the other tribal leaders from our state who have worked with you in trying to work out a sensible approach to this very emotional, controversial issue.

We will do our part back here to try and support you within the dollars that we have to work with because of this deficit situation that we are in. So I know you will stay in touch with us.

Mr. **Frank**. You bet. Thank you.

Mr. **Dicks**. Thank you.

THURSDAY, MARCH 6, 1986.

FISHERIES

WITNESSES

ALLEN PINKHAM, CHAIRMAN, COLUMBIA RIVER INTERTRIBAL FISH COMMISSION

PETE HAYES, NEZ PERCE TRIBAL COMMITTEE

THOMAS JENSEN, STAFF, COLUMBIA RIVER INTERTRIBAL FISH COMMISSION

LEVI GEORGE, YAKIMA INDIAN NATION

Mr. **Dicks**. Allen Pinkham and Levi George, the Pacific Salmon Commission.

Mr. **Pinkham**. Thank you, Mr. Chairman.

My name is Allen Pinkham. I am the Vice Chairman of the Columbia River Intertribal Fish Commission. With me here today are on my left Mr. Pete Hayes, a member of the Nez Perce Tribal Committee, Thomas Jensen, a member of the staff. On my right is Levi George from the Yakima Indian Nation.

I would like to have a few seconds for each one of them to make a comment on any questions you my have. I thank you for the opportunity to present our concerns to you today. First off, under the U.S. section of the U.S./Canada Pacific Salmon Treaty, the President's suggestion for the Bureau's budget has only been at $1 million, and it is far too short for the activities that we need to undertake.

Last year for 1986, we did get $2.1 million but we only got it funded for three quarters of the year which we are very grateful for. To summarize my statement as much as possible under the Pacific Salmon Treaty Commission for the 24 tribes signatory to that Commission, the recommendation is $2.38 million for the fiscal year 1987 and I think this is an adequate amount. It has been developed in the administration itself and Mr. Tom Jensen has been actively involved in the development of that budget.

If you have any questions on that specific item, Mr. Jensen would be glad to provide some answers for you or even later in the day we could do that.

[The statement of Mr. Pinkham follows:]

COLUMBIA RIVER INTER-TRIBAL FISH COMMISSION
975 S.E. Sandy Boulevard, Suite 202, Portland, Oregon 97214
Telephone (503) 238-0667

TESTIMONY OF ALLEN V. PINKHAM
Chairman, Columbia River Inter-Tribal Fish Commission

on behalf of the

U.S. Section, Pacific Salmon Commission

before the

SUBCOMMITTEE ON INTERIOR & RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

March 6, 1986

* * * * * * * * *

Concerning the
Fiscal Year 1987 Bureau of Indian Affairs Budget

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Good afternoon, Mr. Chairman and members of the Committee. Thank you for the opportunity to testify today.

I am Allen V. Pinkham, Chairman of the Columbia River Inter-Tribal Fish Commission and a member of the Executive Committee of the Nez Perce Tribe. I am testifying on behalf of the United States Section of the Pacific Salmon Commission, specifically the 24 Pacific Northwest Indian Tribes represented within the U.S. Section.

Mr. Chairman, the President's Fiscal Year 1987 Bureau of Indian Affairs Budget falls short of providing sufficient funds to meet tribal responsibilities under the Pacific Salmon Treaty. The Fiscal Year 1987 budget calls for appropriation of $1 million. The same inadequate amount was in the Administration's Fiscal Year 1986 budget.

For Fiscal Year 1986, the Pacific Salmon Commission recommended appropriation of $2.1 million to meet the Tribes' Treaty-implementation responsibilities. This Committee agreed with the Salmon Commission and authorized appropriation of the full $2.1 million. The Tribes and Salmon Commission are deeply grateful for your support.

It is plain to be seen from your decision last year that this Committee can weigh the obligations contained in the Treaty and recognizes the Tribes' critical role in meeting this Nation's mandate.

TESTIMONY OF ALLEN V. PINKHAM
PAGE 2

The Pacific Salmon Commission was disappointed that appropriations for tribal activities were provided for only three-quarters of Fiscal Year 1986, resulting in an actual appropriation of $1.75 million, additionally reduced by roughly 4.5% due to Gramm-Rudman. The cut from full base funding--and delay in appropriations--led to some difficulties where important research scheduled to be conducted jointly with Canadian scientists had to be cancelled.

The Pacific Salmon Commission will distribute the Commission's Fiscal Year 1987 Budget Justification to Committee members' offices within the next week. The Commission has recommended appropriation of approximately $2.38 million in Fiscal Year 1987 to meet the Tribes' responsibilities under the Treaty.

I respectfully urge the Committee to accept the Salmon Commission's recommendations. That level of funding will allow the Tribes to do their share of Treaty-required work and at the same time protect their interests in the Pacific Salmon Commission.

The Fiscal Year 1987 Bureau of Indian Affairs budget was not developed in consultation with the Pacific Salmon Commission or any of the 24 Tribes. The Salmon Commission is optimistic that the Fiscal Year 1988 budget will be developed through appropriate consultations and will better reflect the Tribes' actual needs.

Pacific Northwest Tribes devoted years of effort to passage of the Salmon Treaty and will play a critical role in the agreement's implementation. This Committee should remain on the wise path you chose last year and support the Commission's recommended $2.3 million apropriation.

Thank you.

Mr. **Dicks**. Fine. Do you want everybody else to make a comment? Why don't you do that, and then we will entertain questions. Do you want the others to say something?

Mr. **Pinkham**. Yes. I have 14 resolutions of the Affiliated Tribes at the Richmond, Washington, meeting February 5 through 7. The five major concerns under the Gramm-Rudman——

Mr. **Dicks**. We will put those in the committee files so the committee will be aware of that.

Mr. **Pinkham**. Thank you.

[The second statement of Mr. Pinkham follows:]

Affiliated Tribes of Northwest Indians

1425 Northeast Irving
Suite 102
Portland, Oregon 97232
(503) 232-3725

March 5, 1986

The Honorable Sidney R. Yates
Chairman
Subcommittee on Interior & Related Agencies Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed, please find a packet of resolutions adopted by the Affiliated Tribes of Northwest Indians at our Mid-Winter Conference, which was held in Richland, Washington, February 5, 6 & 7, 1986. As you are aware, the Affiliated Tribes of Northwest Indians, organized in the early 1950s, has represented the Indian Tribes and Nations in the states of Washington, Idaho, Oregon, Nevada and Alaska for more than three decades.

We wish to call you attention to the following expressions of the membership of the Affiliated Tribes of Northwest Indians:

Resolution 86-01	Gramm-Rudman-Hollings - Indian Exceptions
Resolution 86-05	Spokane Air Quality Monitoring Program
Resolution 86-08	Youth Conservation Corps
Resolution 86-09	Neighborhood Youth Corps
Resolution 86-10	Small Business Administration
Resolution 86-11	Treaty Rights and Taxation
Resolution 86-15	Indian Child Welfare Funding
Resolution 86-19	Suicide Prevention
Resolution 86-20	Indian Elderly Services
Resolution 86-23	Chemawa Indian School Funding
Resolution 86-24	American Indian Law Scholarship Program
Resolution 86-25	Support for National Congress of American Indians Fund Continued Funding
Resolution 86-26	Commission on Tribal/State Relations Funding
Resolution 86-29	Position Statement Regarding Indian Health Service Budget

Mr. Chairman, we thank you and the Members of the Subcommittee for your serious consideration of our resolutions and requests.

Sincerely,

Allen V. Pinkham Sr.
Allen V. Pinkham, Sr.
President
Affiliated Tribes of Northwest Indians

Mr. **Pinkham**. The major concerns that came out of that meeting were that we would be requesting five categorical exemptions and they would be the current tribal government operations, program services and administration, including contract support; number two, direct services to tribal governments and Indian people; number three, BIA and IHS agency operations; number four, BIA/IHS contracting functions at the area of central offices; and number five, non-contractual functions protecting the treaty trust relationship, also at the area of central offices.

With that, I would like to make one other additional comment that we would like to protect our natural resources in the Northwest area. This is the major funding for individual tribes, their natural resources, either it be fisheries, forestry on land resources, and we need to have some technical assistance and support to protect those resources as much as possible and this is one of the major concerns of the tribes in the Northwest.

With that, I would like to turn it over to Mr. Levi George.

Mr. **Dicks**. Fine.

Mr. **George**. Good afternoon, Chairman. Thank you for the time. My name is Levi George. I am Chairman, Fish and Wildlife Committee.

My concern is basically in the 1987 Bureau of Indian Affairs budget, Mr. Chairman. My comments will be brief.

I would like to support what Allen Pinkham has said. The restoration of the Columbia River salmon is the most important shared goal of the Columbia River Indian tribes. The Yakima Tribe is committed to improving the Columbia River salmon and steelhead runs. The Pacific Salmon Treaty is the final, vital tool to bring the salmon home to Yakima Tribal fisherman, and to all Pacific Northwest fishermen.

As is stated above, I am a member of the Tribal Council of the Yakima Indian Nation and the Chairman of my tribe's Fish and Wildlife Committee. In that capacity, my people direct me to be sure the Yakima treaty of 1855 is not only practiced, but honored.

No treaty right is more important to my people than is their right to take fish for commercial, ceremonial and subsistence purposes. During my lifetime, we have seen a severe decline in the number of fish returning the Columbia River and its tributary, the Yakima River. This decline has been through no fault of the Indian people, but we have suffered the most as a result of it.

In recent years, through cooperative efforts on a variety of fronts, including outstanding leadership in the Congress, we have seen an increase in the size of fishery runs. When many in the Northwest were ready to write off the salmon and steelhead of the Columbia River, the Indians said "No, we must continue to protect and enhance this resource," and now we are beginning to see the fruits of our labor. The U.S./Canada Pacific Salmon Treaty is the missing link in completing our efforts and will benefit not just the Indian people, but the country as a whole as well as our neighbors in Canada.

The tribes fought hard for the treaty and are leaders in the effort to make the agreement work. The administration's budget does not meet the tribes' minimum needs for Salmon Treaty work.

I ask you to appropriate the $2.3 million recommended by the Pacific Salmon Commission.

That is all I have. Thank you.

Mr. DICKS. That was a very good statement. I appreciate your statement.

Mr. HAYES. Thank you, Mr. Chairman. I am Charles Hayes, member of the Nez Perce Tribal Executive Committee, also the chairman of the Fish and Wildlife Subcommittee, and we are going to provide you with documents. We have run out of our packets that we have.

Under the U.S./Canada Pacific Salmon Treaty, much of the habitat of the salmon stocks lies within our reservation and seeded area of Idaho. Consequently, we are in the process of upgrading our fish and wildlife department and we are attempting to consolidate them under one head.

They are currently under—fisheries is under one department and wildlife is under another department and we are attempting to consolidate these into one department. We would like to thank you for your support for the U.S./Canada Pacific Salmon Treaty and we look forward to favorable consideration.

Thank you.

Mr. DICKS. Very good.

Mr. PINKHAM. Any questions about the budget for U.S./Canada request?

Mr. DICKS. The budget only calls for $1 million. This is under the BIA budget and it was down from $2.3 million last year; right?

Mr. JENSEN. The President's budget last year recommended $1 million also in fiscal year 1986.

Mr. DICKS. We increased that.

Mr. JENSEN. Yes. The House supported $2.1 million, which was the same amount recommended by the Pacific Salmon Commission last year and in conference. In final conference with the Senate, that was reduced to $1.4 million in program monies and another $356,000 in contract support monies.

So roughly $1,750,000. The reason for the cut was as stated in the report that we were three months into the fiscal year and cut a quarter of it out.

Mr. DICKS. We will do the best we can. We sure appreciate your very good testimony. Thank you.

THURSDAY, MARCH 6, 1986.

BIA

WITNESS

CHARLES KIMBOL, KLAMATH TRIBE

Mr. DICKS. Charles Kimbol, the Klamath Tribe.

Mr. KIMBOL. Good afternoon.

Mr. DICKS. Glad to have you here, Mr. Kimbol. We will put your statement in the record, and we will put the court case in the files.

You have five minutes and I hope you can summarize for us.

Mr. **Kimbol.** You know, in 1985 I came before the Appropriations Committee and submitted a proposal for $355,000, and then the cuts started and the Klamath tribe ended up with what was in the President's budget, $260,000.

We signed into a contract with the Bureau and operated under that $260,000 for four months and in January a joint committee went and slashed that program and cut us to $145,000 really affecting our ability through the courts in a consent decree with the state and Federal agencies and our involvement.

$145,000 is also proposed for fiscal year 1987, and it is really not realistic for the tribe to be involved with the Federal and state agencies that we are involved with with $145,000 because we are doing computer modeling now and resource management and income flows.

We are involved with four areas: national forests, wildlife refuge, national park and interstate, and probably looking at our involvement in probably 15 million acres. Our former reservation consists of 1.1 million acres in Winema National Forest which we are 100 percent involved with their timber plans and their forest plan.

If we have to go into fiscal year 1987 with a $145,000 budget, it is really going to jeopardize our rights and our involvement assigned to that consent decree. Our hands are already tied in fiscal year 1986 because we signed a $260,000 contract and got cut back to $145,000 for the first quarter. We already spent 80 percent of that.

So it really jeopardizes our involvement for the remainder of fiscal year 1986.

Mr. **Dicks.** We are going to look into that and see what we can do to help. I would certainly suggest that you talk to your congressional delegation in Oregon, particularly Senator Hatfield and Congressman AuCoin.

Mr. **Kimbol.** I have already done that.

There was a lot of confusion for the simple reason there was three figures floating around there. One was $292,000, one was $145,000 and one was $260,000. What the Bureau did for fiscal year 1986 was put us under Wildlife and Parks and we never should have been under that category with the involvement that we are in.

Mr. **Dicks.** Our staff will help you, too, on this. You just keep pushing.

Mr. **Kimbol.** I will.

Mr. **Dicks.** I got that impression. Good. Thank you for a good statement.

[The statement of Mr. Kimbol follows:]

THE KLAMATH TRIBE'S PROPOSED BUDGET OF ALLOWABLE COSTS FOR FISCAL YEAR 1987

SUBMITTED BY CHARLES E. KIMBOL, SR.
CHAIRMAN,
THE KLAMATH TRIBE

Since 1975, the Bureau of Indian Affairs has been providing rights protection monies to the Klamath Tribe to protect their hunting and fishing rights. Our proposal for 1987 is $311,000. The Bureau's authority to provide such funds is founded on a June 10, 1975 memorandum from the Associate Solicitor for Indian Affairs to the Director, Office of Trust Responsibility. It was written in response to an oral inquiry regarding that offices's authority to expend money to assist the Tribe in the preservation, protection, and regulation of treaty hunting and fishing rights.

BUDGET REQUEST

As a result of the continued court jurisdiction in the Kimball v. Callahan case, the U.S District Court for the District of Oregon in October 1980 approved a "Consent Decree" Agreement between the United States, the Oregon Department of Fish and Wildlife and the Klamath Tribe. The purpose of the agreement is to promote the sound and efficient management and conservation of fish and wildlife resources within the geographic area in which the hunting, fishing, trapping and gathering rights of the Klamath Tribe and its members may be exercised. The Agreement established a cooperative management and regulatory system between parties involved.

On June 18, 1984 the U.S Supreme Court denied certiorari in the case, United States v. Adair, 723 F. 2d 1394 (9th Cir. 1984). The original decision in this case stated. "The Treaty granted the Indians an implied right to as much water on the Reservation as was necessary to fulfill these purposes. The termination of the Reservation did not abrtogate the Indians' water rights (Klamath Termination Act, section 14, 25 U.S.C.S. 564m). The Indians are still entitled to as much water on the Reservation as they need to protect their hunting and fishing rights. If the preservation of these rights requires that the Klamath Marsh be maintained on a sustained-yield basis, then the Indians are entitled to whatever water is necessary to achieve those results."

HISTORY OF KLAMATH INDIAN TREATY RIGHTS

Article I of the Treaty of 1864 secured for the Indians the exclusive right to fish and gather edible plants on the Reservation. That provision includes the right to hunt and trap, "Kimball vs. Callahan", 493 F. 2d 564 (9th Cir. 1974), cert. den., 419 U.S. 1019 (1974) (Kimball I). This was not a grant of rights to the Indians, but a reservation of rights already possessed. "United States vs. Winans", 198 U.S. 371 (1905).

Treaty rights for the Tribe, for all its members on the final tribal roll and for their descendants survived the termination of the Reservation. Klamath Termination Act, 25 U.S.C. 564-564x; "Kimball vs. Callahan, 590 F. 2d 768 (9th Cir. 1979), cert, denied 442 U.S 915 (1979) (Kimball II).

The responsibilities of the Tribe to manage their people and coordinate with state and federal land and resource managers were identified in a consent decree (appendix 1). You will please notice that cooperation and coordination with the identified institutions is a primary concern of the agreement. An example of the quality of work that has resulted from our cooperation effort is a mule deer computerized habitat evaluation method "Mule Deer Habitat Effectiveness: The Criteria for Habitat Management".

FEDERAL WATER RIGHTS ARE INVOLVED

The federal water rights which were sustained in United States v. Adair, 478 F. Supp. 336 (D. Or. 1979), 723 F. 2d 1394 (9th Cir. 1984), are closely tied to and to some degree are dependent upon the existence and survival of treaty hunting, fishing and trapping rights.

> The Treaty granted the Indians an implied right to as much water on the Reservation as was necessary to fulfill these purposes. The termination of the Reservation did not abrogate the Indians' water rights, Klamath Termination Act, 14, 25 U.S.C. 564m. The Indians are still entitled to as much water on the Reservation lands as they need to protect their hunting and fishing rights. If the preservation of these rights requires that the Marsh be maintained as wetlands and that the forest be maintained on a sustained-yield basis, then the Indians are entitled to whatever water is necessary to achieve those results.

Id. at 345-6. (Emphasis added, footnote omitted.)

The Marsh of which the Court speaks is the Klamath National Wildlife Refuge and the Forest is the Winema National Forest. The Court expressly refused to rule upon the United States' argument that it had acquired the Indians' water rights by purchase in 1960 and condemnation in 1973 and thus possessed water rights for the Marsh and National Forest independent of Indian rights to maintain sufficient streamflow to protect treaty hunting and fishing rights. "The Indians' use of their rights to that streamflow will ensure that enough water flows through the Refuge and through the Winema National Forest to fulfill the Government's purposes for those lands." Id. at 347.

It is thus in the interest of the United States in its capacities as owners of the Marsh and National Forest to ensure the continued viable existence of tribal treaty rights to hunt and fish, which of course may best be accomplished through the United States acting as trustee for those rights.

Cooperation with the federal land managers and their representative legal departments was considered essential to effectuate court direction and resource management concerns. Copies of correspondence for the Tribes legal representatives to the Bureau of Indian Affairs requesting funding (Appendix); from the United States Assistant Attorney General (Appendis) regarding involvement between the United States and Tribe are attached. As a result of this effort agreements for cooperation and coordination with respective federal agencies are developed (Appendix),

Statement of work

1. Administration and related services to support Klamath Rights protection efforts including:
    a. Enrollment and Identification - Tribal members recognized and determined eligible to exercise Klamath treaty rights - includes issuance of treaty permit cards and game licenses - commensurate with the Klamath Tribe constitution and Bylaws and other established requirements by the Tribal governing body.

b. Communication and liaison relations - Inform tribal members and other publics regarding Klamath Tribal efforts (programs/activities) directed to treaty rights protection through contacts, meetings and printed materials.

c. General administration - Business management activities for maintenance of accounts, records/information and report preparation as required by contract-personnel management activities including standards, records and staff training.

2. Technical assistance and related services to support Klamath rights protection efforts including:

a. Advice and guidance concerning fish and wildlife resources conservation and management to assist the governing body of the Klamath Tribe as follows:

1) Interpretation of biological-ecological information and data.

2) Contacts and interrelationship activities with the key land/resource managing agencies - to coordinate and cooperate on opportunities to better manage the regions natural resources - to collect and share biological and management data on status of fish and wildlife species and habitats, harvest forecasts, and preservation of non-consumptive species - to formulate, implement and coordinate activities on management plans/agreements concerned with fish and wildlife resources conservation and use or other purposes determined beneficial by the parties involved.

3) Revise or adopt provisions of the Klamath Tribal Wildlife Management Plan (and code) with the objective for achieving standards to meet needs of fish and wildlife resources conservation and management consistent with the reserved treaty rights.

4) Review and/or establish requirements based on research of needs to maintain and enhance fish and wildlife resources including the development of tribal water resource policy connected with the settlement of water claims needed to protect the hunting and fishing rights of the Klamath Tribe.

b. Biological technical assistance on fish and wildlife and water resources planning projects (Klamath Tribal projects or cooperative efforts with others) - to collect and/or quantify biological information and data on key fish and wildlife species and habitats - to collect hydrologic, chemical and water use data perticular to the settlement of water claims sufficient to preserve treaty rights secured to the Klamath Tribe. Data gathering may include the conduct and/or application of research appropriate to the needs for projects being implemented. The Klamath Tribe is currently participating in the following major projects requiring biological technical assistance:

1) A multi-agency Technical Advisory Committee (TAC) project to develop a mule deer habitat and population management plan.

2) Huckleberry management plan - cooperative effort with Rogue River National Forest (U.S. Forest Service) and Klamath Tribe.

3) Coordination of stream habitat improvement program and plan - cooperative effort with U.S. Forest Service and Oregon Department of Fish and Wildlife (ODFW) and Klamath Tribe.

4) Ecological study for (3) species of Klamath Basin Suckers - cooperative effort (agreement) between U.S. Fish and Wildlife Service (U.S.F.&W.) and Klamath Tribe.

5) Inter-State Deer Herd Technical committee - Cooperative effort to coordinate development of land/resources management goals and objectives specific to migratory deer herd (Calif. - Oregon) - involves USFS, California Department of Fish and Game, ODFW, BLM and Klamath Tribe.

6) Coordination on planning management activities of the USFS - to evaluate specific impacts to the natural environment relating to the opportunity for exercise of Klamath treaty rights.

7) Klamath Tribal project for the collection of water resources data and the development of tribal water resources policy including liaison activities connected with the negotiation of water claims.

3. Enforcement and related services to support Klamath rights protection efforts concerned with subsistence use and related controls on the exercise of treaty rights by Klamath Tribal members (pursuant to Klamath Tribal wildlife Management Plan provisions and "Consent Decree: agreement within the geographic area where treaty rights are exercised). Activities will include:

a. Inform tribal members regarding responsibilities (to meet conservation needs) in connection with the exercise of treaty rights pursuant to Klamath Code provisions through direct contracts and meetings.

b. Enforcement patrol activities (including issuance of citations where treaty rights are exercised including former reservation and ceded area lands which meet requirements of estabished standards (Klamath Tribal) of law enforcement, Klamath Code provisions and "Consent Decree" agreement.

c. Maintenance of records on violations/citations and judicial proceedings pursuant to Klamath Code provisions, judicial procedures and "Consent Decree" agreement requirements. Tribal court (judicial) proceedings are conducted by a Judicial Panel of the Klamath Indian Game Commission (KIGC).

THE KLAMATH TRIBE(s)

PROPOSED BUDGET OF ALLOWABLE COSTS

FISCAL YEAR 1987

PART I - PERSONNEL

Salaries/Wages of Key Personnel.	$172,500.00
Fringe Benefits.	$46,910.00

PART II - FACILITIES, EQUIPMENT, SUPPLIES AND SERVICE

Travel/Mileage	$38,300.00
Rental/Utilities	$39,290.00
Insurance.	$6,000.00
Supplies/Materials	$8,000.00
	$311,000.00

THURSDAY, MARCH 6, 1986.

IHS

WITNESS

JO ANN KAUFFMAN, SEATTLE INDIAN HEALTH BOARD

Mr. DICKS. Jo Ann Kauffman, Seattle Indian Health Board. Nice to have you here again. I am sorry we are under such time constraints.

Ms. KAUFFMAN. I will go as quickly as I can.

Mr. DICKS. We will put your statement in the record.

Ms. KAUFFMAN. Thank you.

First of all, I would like to thank you and members of this committee for your support of the Seattle Indian Health Board to resolve our hardships of the past several years that resulted from the 1981 threat to shut down all Urban Indian Programs that disputed us so tremendously and I appreciate your support through that.

I am here to talk about two things really, to ask again for the committee's support for urban Indian health, which, as you know, has been recommended for no funding in the President's budget for fiscal year 1987 and also is threatened under the current fiscal year through the rescission request that has come down for the Indian Health Service.

We are asking that funding be provided for Urban Indian Health Programs to continue their level of services. I might remind you that the Urban Indian Health Program is the most efficient use of funds in the Indian Health Service in that we are serving over 100,000 people on our patient registry with at less than $10 million. Other data supporting Urban Indian Health has been provided to this committee.

From that, I would like to move on and address a new issue that I have not addressed with this committee before and that is with regard to alcoholism and how it affects not just Indian people in the urban areas, but Indian people nationally.

This committee asked for a million dollar increase last year for alcoholism prevention. I am again. I congratulate the committee for making an effort to address a very complicated systematic problem that threatens not just skid row Indians, but from infancy to the elderly population of all incomes and of all educational backgrounds.

It is a very complicated issue that is not getting enough attention. The Secretary's Task Force on Black and Minority Health completed their study. I have attached to my testimony two tables, one that shows the comparison of the Indian population with the other minority groups and the white population in the United States for both cirrhosis of the liver, deaths from cirrhosis and deaths from unintentional injuries.

Indian population, as far as you can see on the chart, surpasses all the other populations and deaths due to these causes. A majority of these deaths are between the ages of 14 and 44, so it is not the skid row population. It is the young people in our tribe.

The report says that 80 percent of all the excess deaths to Indian people are alcohol related. I would like to compare that with how much money the Indian Health Service currently spends on the treatment of prevention of alcoholism which is less than one-half of one percent.

Alcoholism is involved in 75 percent of all fatal accidents, 80 percent of all suicides and 90 percent of all homicides. We recently completed a study in the State of Washington that reported that 54 percent of the Indian adult population was actively involved in the progression of the disease and one out of every four Indian women in our state has sought treatment and even that high number represents an under-utilization of the alcohol treatment programs.

The need is much greater. What is happening now with the small amount of money that the Indian Health Service gets for alcohol treatment is directed primarily at late stage alcoholics, adults, males over 40 who indeed need and deserve treatment, but the money is being directed at those least likely to benefit from the services.

I am not suggesting that those people not be treated, but I am suggesting that Congress make a statement and Indian people make a statement that let's put a premium on the savable Indian alcoholic, the children, the people who are still functioning and working who have children, who have a chance to benefit from treatment.

So in that regard, I am asking for two things from this committee, one is to ask that the Congress again come forward with a statement on Indian alcoholism and I have requested an increase to the alcohol system budget of $2 million to be directed toward prevention and early intervention efforts.

I might point out that Portland, Oregon, has a treatment program that serves women with children so that the women, the young mothers in their twenties or thirties, can take their children with them into treatment. They have a huge waiting list and the women are waiting.

The majority of them on the list are from the State of Washington and they have women waiting in Idaho and Montana who want to come because unless they—they don't want to give their children up and don't have someone to give their children to, so are not going into treatment.

Also, to direct some of that increase towards some demonstration projects for youth.

The second thing I would like to talk about, I think, has a potential for a tremendous impact on the Indian community and it calls for no additional funds whatsoever, and that is to provide language in the 1987 appropriations that would require all agencies funded under the Snyder Act such as BIA and Indian Health Service, Urban Indian Health Organization and any other organization or contractor that touches any of that money that is designed to relieve the distress of Indian people to have in place an aggressive policy to assist those employees whose job performance is suffering because of alcoholism, require treatment, promote that idea that it is a priority, it is one that not just the people in alcoholism programs, per se, are going to promote, but anybody involved with the relief of distress among Indian people is going to promote.

I think that the reason alcoholism represents less than one percent of the budget of Indian Health Service is in part our own fault. The denial syndrome with the disease saturates the entire community and until Congress makes this statement and Indian people make the statement efforts are going to continue to face passive resistance as a result of the complications of the disease.

I think that if you consider the amount of money that this committee controls in the Indian community, what percent of the Indian economy that represents, that type of language could have a major impact and make a major statement and, I think, weed out or perhaps change the case where perhaps practicing alcoholics are making policy decisions that are not being effective in dealing with alcoholism on a broader scale.

[The statement of Ms. Kauffman follows:]

TESTIMONY

PRESENTED BY THE

SEATTLE INDIAN HEALTH BOARD

JO ANN KAUFFMAN

EXECUTIVE DIRECTOR

TO THE

HOUSE SUB-COMMITTEE FOR

INTERIOR APPROPRIATIONS

March 1986

SEATTLE INDIAN HEALTH BOARD

Mr. Chairman, my name is Jo Ann Kauffman. I am an enrolled member of the Nez Perce Tribe of Idaho and the Executive Director of the Seattle Indian Health Board. I have spent my entire educational and professional career developing my skills as a health care administrator and planner, in an effort to make some positive impact on the deplorably low health status experienced by Indian people. I have seen some very encouraging results since the Indian Health Care Improvement Act, and I have been fortunate enough to have participated in some exciting community activities to increase the quality and quantity of health care in both urban Indian communities and remote reservation towns.

Today, we are facing a renewed attempt by the administration to terminate its responsibility to improve health status for Indian people by eliminating needed appropriations. The administration's FY87 budget and the current rescission request to withhold $63 million in FY86 funds, goes far beyond the congressional intent behind Deficit Reduction legislation, and strikes a demoralizing blow to the fragile health care system struggling to serve this nation's sickest, youngest and most severely underserved population.

Indian Health Service documents, and the Secretary's Task Force on Black and Minority Health, point to the disparity between the health of Indians and that of the general public. While 70% of the deaths occurring in the general public are to people 65 years or older, in the Indian population 70% of the deaths are to those younger than 65 years. Our people die at a higher rate and at a younger age than any other group in the country.

URBAN INDIAN HEALTH

The Presidents budget has once again called for the elimination of the Indian Health Service's most cost effective program, Urban Health. Over 100,000 individual patients are served by a program that costs the Indian Health Service less than $10 million a year to run. This averages out to less than $100 per individual user of urban Indian health programs annually.

The American Indian Policy Review Commission estimated that the Bureau of Indian Affairs relocated approximately 160,000 Indians from reservation to urban area during the 1950s and 1960s. The federal government has made attempt after attempt to disenfranchise, disinherit and discard the Indians and Alaskan Natives it moved to urban areas in an effort to reduce its trust responsibility.

The justification to eliminate funding for Urban Health rests on the claim that adequate alternate resources exist in cities to meet health needs for this population. Local providers of care do not agree. In Seattle, the local community clinics and the local health department have gone on record with this committee describing their patient load and budget cuts, stating that they have neither the excess capacity nor the cultural sensitivity to absorb and maintain our 20,000 patients, were the Seattle Indian Health Board to be eliminated.

Congress sought to determine the extent to which Indian populations might be underserved and why, when it asked for a special report in passing the 1978 Amendments to the Public Health Service Act. The findings delivered to Congress in 1979 entitled "Health Care Needs of American Indians and Alaskan Natives: A Report in Response to the Requirements of Section 116[b], PL 95-626", stated that Indians in urban areas experience significant access barriers to local alternate resources due to "...'economic, geographic, advocacy, provider sensitivity, racial discrimination and cultural factors".

The 37 Urban Indian Health programs funded nationally have been very successful at identifying and serving the thousands of Indians in cities who, until Title V, went without needed health care or ended up in hospital emergency rooms or crowded into their reservation IHS clinic for major medical care. These urban programs have become integral components in their local network of health care providers. To eliminate these effective and quality programs will cost more money than it will save in the overall assessment of available resources.

ALCOHOLISM FUNDING

If Congress were to hold a flashlight up to the body of "Indian Health" and examine the systemic effects of alcoholism, and then review its medical record to identify critical opportunities to intercede in the deadly progression of the disease, what Congress would find is the documentation necessary for one of the world's biggest and most scandalous examples of gross misconduct and medical malpractice on record.

Eighty per cent of all the excess deaths to Indian people are alcohol related, yet the Indian Health Service spends less than 1% of its budget on treating or preventing the disease. Five of the ten leading causes of death for Indian people nationally are alcohol related.
Alcohol is involved in 75% of all fatal accidents, 80% of all suicides, and 90% of all homicides among Indians.
In a recent study funded by the NIAAA, it was found that up to 54% of the Indian Adult population is actively

experiencing the progression of alcoholism. In Washington State one out of every four Indian women has sought alcoholism treatment.

What is being done? For the most part, not much. The majority of the effort currently supported under the alcoholism appropriation goes toward the treatment of late stage, adult male, over 40 alcoholics who are the most likely to be recidivists and least likely to benefit from treatment. I am not suggesting treatment to this population is not needed, but I am asking Congress to look realistically at Indian alcoholism. What premium have we placed on the savable Indian alcoholic? What priority are we giving Indian children who are born into an alcoholic environment and carry their genetic predisposition to the disease for life.

To say alcoholism decimates the Indian population is an understatement, for the literal definition of 'decimate' is to kill one out of every ten. This disease is our plague, yet the response to it by Congress, IHS, and among Indian leadership has been less than lukewarm. We have all adopted a tolerance, a denial of the significance of the disease and we are negligently looking the other way while another generation of Indian children learn to become Indian alcoholics.

I am urging Congress to help Indian people fight their number one killer. This body sets the tone for Indian appropriations and programs. Treatment of alcoholism has been a small segment of the IHS budget, and it follows that the treatment of this disease is being dealt with as a small segment of disjointed programs locally. It is a systemic disease and requires a systemic approach to its treatment.

RECOMMENDATIONS

1. Full funding for Urban Indian health at $10.7 million.

2. $2 million increase in Alcoholism for the explicit purpose of providing Prevention and Early Intervention efforts for Indian youth and Indian women. Specifically, to establish a demonstration project geared toward treating Indians at earlier stages of the disease. For Indian women, treatment is often not sought because of the fear of losing their children. A family treatment approach functioning in Portland, Oregon has a waiting list of women with children, the majority of whom are from Washington state and as far away as Idaho and Montana.

3. Special language in the FY87 appropriations requiring all agencies and subcontractors funded through Indian appropriations, such as the IHS, BIA, tribes, urban

and other Indian organizations to have in place an Employee Assistance Program for early identification and required treatment of alcoholism for employees whose job performance is affected by the disease. Until Congress acts to treat the disease at all levels of the Indian community, including among those decision makers in local and national positions, efforts to impact the disease will continue to face passive resistance.

Mr. Dicks. I think those are three very excellent suggestions and I will certainly make sure the other members of the committee are aware of them and we appreciate your leadership and good work you have done out in the field and we will do our best to help you with the Urban Indian Health Program for this year.

Ms. Kauffman. Thank you.

Mr. Dicks. Thank you, Jo Ann.

Thursday, March 6, 1986.

IHS

WITNESS

MELVIN SAMPSON, THE NORTHWEST PORTLAND AREA INDIAN HEALTH BOARD

Mr. Dicks. Melvin Sampson, representing the Northwest Portland Area Indian Health Board.

We will put your statement in the record and go ahead and summarize your testimony, Mr. Sampson.

Mr. Sampson. Again, I request equal time as Jo Ann had. I thought she was taking up a request to use my five minutes.

I appreciate again being here and being able to testify. As our statement states, the Northwest Portland Area Indian Health Board, of which I am Chairman, represents the 37 recognized tribes in the tri-state of Oregon, Washington and Idaho.

The fiscal year 1987 budget for the Indian Health Service by the administration is in our opinion simply not sufficient to provide adequate health service to the American Indian population. This budget would wipe out the results of the years of planning and the efforts through the elimination of vital parts of our comprehensive Indian health care delivery system.

We feel that the quality of care would suffer greatly with such inadequate resources and many Indian people will have to be turned away from our IHS and tribal clinics. Contract health care, now restricted to life-threatening cases only, would become dangerously minimal and would not even cover all of our urgent and emergent cases.

So we have a grave concern on the budget proposed. Specifically to the proposed reductions, we project there will be a 7.2 percent deficit of the IHS clinics. We have projected there would be a $599,000 deficit in direct operations and other related budget activity such as dental, mental health and public health, nursing and so forth, an additional $114,000 projected deficit.

So being that, the total projected deficit for the Portland area alone is $3,316,000, and this does not include, I think, the short falls in tribal contracts or in contract health services which by law are not permitted to go into the red. We have a very deploring situation when it comes to contract health care services as we deem deferred services.

As an example, at the end of this quarter of this fiscal year, there were at least 4,400 individual Northwest Indian patients listed for deferred medical, surgical, dental, vision and hearing services in the three States of Washington, Oregon and Idaho.

We object to the proposed elimination of the three of the Indian Health Service programs, namely, the Urban Health Program, which serves 28,000 Indians annually in Seattle, Portland and Spokane. We object to the elimination of the CHR program, as well as the Tribal Management Program.

As you will see in our testimony, we explicitly point out our grave concern which we cannot accept as far as the administration's projection on the third party collections and the utilization of alternate resources.

As far as the Indian Health Service facilities, I made reference to in my previous testimony that in the Northwest the ambulatory care facilities are the backbone of the Indian Health Service programs providing culturally appropriate primary health care.

Currently there are three ambulatory care facilities in the Northwest on the priority list for replacement and we have many others that also need to be placed in remodelling. We would recommend that the committee proceed with the process of replacement and remodelling as it has directed the department to come up with.

Again, in concluding, we have the same concerns as we had last year as pertains to the sanitation and facility of construction needed projects. We object to the proposed reduction in Indian Health Service manpower because that would then eliminate the concentrated effort that we have been involved in as far as increasing the number of Indians involved in health and health-related fields.

That would conclude my summary of the statement for the Northwest Portland Area Indian Health Board.

I was supposed to give testimony tomorrow for the National Indian Health Board. Due to some time constraints, I am not, and I would request that I submit them to the record and if you would accept them because they will be here tomorrow.

Mr. DICKS. Thank you. That is good. Thank you for a very good job and excellent summary.

[The statements of Mr. Sampson and that of the American Indian Health Care Association follow:]

NORTHWEST PORTLAND AREA INDIAN HEALTH BOARD
123 N.W. SECOND AVE • ROOM 321 • PORTLAND OREGON 97209
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TESTIMONY OF THE NPAIHB ON THE ADMINISTRATION'S

PROPOSED FY 1987 INDIAN HEALTH SERVICE BUDGET

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, AND HONORED GUESTS.

Good Afternoon, my name is Mel Sampson, Chairman of the Yakima Tribe and Chairman of the Northwest Portland Area Indian Health Board. We wish to thank the House Appropriations Committee for the opportunity to provide testimony on the Administration's fiscal year 1987 budget request for the Indian Health Service. The Northwest Portland Area Indian Health Board, representing the thirty-seven (37) federally-recognized tribes in the states of Oregon, Washington, and Idaho, and as delegated by the tribal governments by resolution, appreciates this opportunity to meet with you today to discuss important budget and policy issues affecting the Indian Health Service. The health care provided to Northwest Indians by IHS is of critical importance to our tribal governments, and we strive to do everything possible to maintain and improve the health services provided as a part of the federal responsibility to Indian people.

In the Pacific Northwest, over 100,000 Indians live on reservations, in urban areas, and in small communities. Of these, approximately 80,000 Indians received health services through the IHS system last year, and this number will increase in fiscal year 1987. Aside from the natural population increases among Northwest tribes of over 2% per year, we have an undetermined but significant number of people returning to the reservations who then become eligible for health services through IHS. If one of the terminated tribes of Oregon is restored to federal recognition this year our service population will increase by another seven to ten percent.

The fiscal year 1987 budget for IHS proposed by the Administration is simply not sufficient to provide adequate health services to the American Indian population. This budget would wipe out the results of years of planning and effort through the elimination of vital parts of our comprehensive Indian health care delivery system. The proposed changes would strike at the heart of the special mission of IHS by weakening preventive programs, reducing tribal involvement in health, and abandoning the improvement of ambulatory care clinics and tribal sanitation facilities.
It is not cost-effective or appropriate for the federal government to propose restructuring IHS through the budget process.

Additionally, for the second year in a row the Administration is proposing major budget cuts in direct clinical health services for Indian people. We are greatly disturbed by these proposed decreases. In the area of clinical services (hospitals, dental, mental health, alcoholism, and contract care) the Administration's proposal in 1987 is more than $47 million less than the amount provided by Congress (after sequestration) for the current fiscal year. This represents a 9.2 percent decrease in clinical funding at a time when medical costs are expected to increase 6-10 percent and the Indian population is projected to grow by at least 2 percent. Overall, the Administration's request of $722 million for Indian Health Services in FY '87 is $84 million less than the current funding level, a 10.6 percent decrease.

Quality of care would suffer greatly with such inadequate resources, and many Indian people will have to be turned away from our IHS and tribal clinics. Contract health care, now restricted to life-threatening cases only, would become dangerously minimal and would not ever cover all of our urgent and emergent cases. Mental health and alcoholism programs, which are not now able to meet the demand for care, would be even less able to deal with these serious problems in our communities.

The proposed reductions which threaten the integrity and function of the entire Indian health care system would be exacerbated by additional major proposed recissions in the already-appropriated FY 1986 IHS budget. The loss of 7.2 percent of the IHS budget for 1986 in the middle of the fiscal year would be a terrible blow. After the Gramm-Rudman sequestration of 1.3 percent, the IHS budget is already below the 1985 level. There is no rational justification for inflicting additional damage on Contract Health Services and other necessary health services and construction programs.

Such recission proposals also seriously endanger the continuity of health services delivery by preventing the distribution of appropriated funds until extremely late in the year.

Our Northwest tribes hold that health care for Indian people is not a racial issue, nor is it a financial issue; it is a legal and historical obligation based on treaty, law, and the trust responsibility which the federal government forcibly assumed over Indian nations. The effort of the Administration to propose increasing inadequate Indian health services, citing budget restrictions, is, in effect, a back door attempt at termination of a trust responsibility that could not be dissolved in the courts.

Projected Deficits For The Northwest Area

The statistics which follow relate to the current fiscal situation in the Indian Health Service for the Northwest Area; all areas are presently operating at F.Y. 1985 base level. If the Gramm-Rudman budget reductions and the Administration's proposed recissions are applied to the F.Y. 1986 budget, the financial picture could be far worse, but we are not now able to project exactly what it would be.

The Northwest is projecting a $2,643,000 deficit in the IHS Hospitals and Clinics budget activity, which employs an average of 250 full-time equivalent positions annually. This activity pays for approximately 30% of all P.L. 93-638 contracts in the Northwest, and supports all primary care providers, clinical nurses, pharmacists, medical technologists, etc., and their related support costs. With our resources declining annually, a projected medical inflation rate of 8% in the Northwest, pay increases not covered by supplemental appropriations, and workload increasing approximately 5% annually, our financial perspective is getting worse every year. In addition, the Portland Area is projecting a $599,000 deficit in Direct Operations. This activity pays for all positions located in the Area Office and their related support costs. It supports such functions as Financial Management, Human Resources, Services, Administrative Services, Contracting and Procurement, etc. Also in other budget activities such as Dental, Mental Health, Public Health Nursing, etc., we are projecting an additional $114,000 deficit. These activities pay for Dentists, Dental Assistants, Psychiatrists, Community Health Nurses, etc., and their related support costs. The total projected deficit for the Portland Area IHS is $3,316,000. This does not include the shortfalls in the tribal contracts or in Contract Health Services, which by law are not permitted to go in the red.

A tragic result of this deficit is that, to balance our Area IHS budget, it will be necessary to reduce the number of IHS employees by over 20 percent; 70 percent of these personnel are projected to be lost from direct service locations. A further decrease of over 5 percent in FY 1987 would make our staffing and services picture even more desperate.

Deferred Contract Health Services For The Northwest Area

Since the Northwest has no Indian Health Service hospitals and there is limited access to IHS and tribal clinics, Northwest Indian people are dependent on the contract health services system (CHS) for all hospital care, as well as many outpatient services. Because the CHS budget for the Portland Area is so inadequate, most contract health care is limited to urgent and emergent (Priority 1) services, defined as those services which are needed to prevent death within one year. Other necessary health care, which may be vital to an individual's well-being and is authorized by IHS regulations, but may not be immediately life-threatening, is placed on a "deferred services" list in the hope that IHS may eventually be allocated additional CHS funds to meet these needs.

At the end of the first quarter of F.Y. 1986, there were at least 4,400 individual Northwest Indian patients listed for deferred medical, surgical, dental, vision, and hearing services in the three states of Oregon, Washington, and Idaho. The resources requirement to meet this known need is $3,500,000. The deferred services requirement has increased this fiscal year at the rate of $200,000 per month. The requirements do not include the unknown need for treatment of alcohol and substance abuse clients which presently are not being provided through referrals or placed on the deferred services list because of funding constraints and other patients that have given up seeking deferred services due to constant denials.

An example of a needed deferred surgery is an elder Indian woman with carpal tunnel syndrome, a condition that effects the small bones at the base of the pale of the hand. This woman supports herself by weaving baskets, but with this debilitating condition she is unable to make a living. She has been on the deferred services list for more than one and one-half years. Other deferred services examples include cataract removals, hernias, knee and shoulder reconstructions, hearing problems, and dental surgeries. These are serious conditions that effect the quality of life and in most cases the Indian people just have to live with the pain. These deferred services are a result of past budget cuts and lack of adequate funding for Contract Health Services. The Administration is proposing more budget cuts. A projected decrease in CHS funding of over 30 percent from the FY 1985 base level would be devastating to our Indian patients; not even all of our urgent and emergent cases could be served at this level of funding.

Proposed Elimination of Health Services Programs

The present Administration is proposing elimination of three health services programs that are very important in the Northwest. One of the programs is the Urban Indian Health Program which serves 28,000 Indians annually in Seattle, Portland, and Spokane. The total cost of these three projects is $1,811,000. If these three urban programs are eliminated, the increased requirement on Hospitals and Clinics, Contract Health Services, and other budget activities will be significant. Another valuable program that has been targeted for elimination is the CHR program. Presently, more than thirty different tribes are being served by this program in the Northwest. If this program is eliminated, services such as patient escort to and from clinics or hospitals will be lost, home care visits, educational activities, nursing care and many other services will be terminated which cannot be replaced and will put an additional burden on all the other budget activities. The total cost of the CHR program in the Northwest is $2,042,000. The third program being proposed for elimination is Tribal Management. This activity provides funding for training and technical assistance to thirty-seven tribes relating to Tribal-Specific Health Plans, health skills development, dissemination of pertinent health information, and development of other studies to develop the capability to provide ambulatory services to tribal members and their communities.

Alternate Resources/Third Party Collections

We cannot accept the Administration's continued high projection of third-party collections. There are more likely to be cutbacks in alternate resources especially in the Northwest. Additional burdens will be placed on Contract Health Services and other funding sources as alternate resources such as State medically needy programs, tribal insurance, etc., are being eliminated due to the poor timber industry and other unfavorable economic conditions in the Northwest, as well as to poor state and local financial situations due to reductions in federal funding.

IHS has projected high collections from third-party payors for the past five years. The request for FY 1987 continues this trend with third-party collections projected to increase to $76.6 million, including $69.1 million in Medicare/Medicaid reimbursements. This projection is made despite the fact that the President's budget proposes a cap on Medicaid expenditures. In addition, a projected collection of $6 million is included from private insurers even though there is no explanation of how IHS will get the authority to do this. The '87 projected increase in third-party collections is more than twice the FY '85 collection of $37.6 million. These third-party collections are not realistic and are probably over twice what IHS will receive.

For these and other stated reasons we oppose the Administration's integration of $15.5 million in projected reimbursements from Medicare/Medicaid and third-party payors for use in the Hospitals and Clinics budget in order to offset "built-in" increases such as FICA payments, within grade promotions, and inflationary costs. This request violates the intent of Title IV of P.L. 94-437, which restricts use of these collections to activities that will maintain accreditation of IHS facilities. Amending P.L. 94-437 in an appropriations bill, which is proposed in the Budget Justification, is not acceptable.

Additionally, the FY '87 budget proposal will require IHS to issue a general notice requiring contract providers to accept reimbursement at a level not exceeding the amount allowed by Medicare for similar services. In the Northwest Area we are dependent upon Contract Health Care. Many of the tribes have fought some bitter battles to obtain this quality hospital care. The doctors are continuously complaining about the high cost of medical insurance and in our experience really cut corners with

Medicare patients: in fact, some medical providers will not accept Medicare rates. We believe this will erode the quality of care and are strongly opposed to this proposal.

Indian Health Facilities

The proposed elimination of funding in FY '87 for facilities construction and sanitation facilities construction is of great concern to our tribes. In the Northwest, ambulatory care facilities are the backbone of the IHS health programs, providing culturally-appropriate primary health care. Currently there are three ambulatory care facilities in the Northwest on the priority list for replacement and we have many others that also need replacement or remodeling. All construction projects are seemingly stalled. If we do not have a replacement program for poor facilities and do not have adequate funding to maintain this property, the quality of care to our Indian patients deteriorates and our ability to attract competent professional staff diminishes. We recommend that the Toppenish clinic, which is number one on the priority list receive funds for construction and further request that planning and design funds be appropriated for the next five outpatient clinics on the priority list.

There is also an urgent need to continue one of the most successful efforts in the area of preventive health - sanitation facilities construction. There is still a large backlog of existing systems which are sub-standard and present a serious health hazard. Currently the recognized unmet need for water and waste improvements for existing Indian homes and communities in the Northwest is estimated to be $14 million and is $500 million nationally.

The Administration proposes to restructure the IHS budget by transferring the Indian Health Facilities Program into the Indian Health Services Appropriation. We are opposed to this transfer. It would lessen the separate identity of construction funds and make it easier for the Administration to use these funds for purposes other than construction. The multi-year availability of funds would also be lost. We urge the Committee to protect the Indian Health Facilities Program.

Indian Health Manpower

The Administration proposes to reduce funding in the Indian Health Manpower Program by 16 percent. We are opposed to this budget cut because it will mean even bigger shortages in trained Indians to serve in IHS and tribal clinics and hospitals. This budget cut would come at a time when all other training and education funds are being cut. Also, Indian health programs are still having serious problems in filling medical and nursing positions; this will become a crisis in 1991 when the National Health Service Corps placements are no longer available.

In closing we would like to say that the Northwest Portland Area Indian Health Board fully supports the testimony presented by the National Indian Health Board and the National Congress of American Indians. We would also ask that you take the time to read the attachment which describes the legal basis for health services delivery to Indian people.

Thank you for the opportunity to present our testimony.

POSITION STATEMENT OF INDIAN HEALTH SERVICE BUDGET

Affiliated Tribes of Northwest Indians have united as one voice to address our concerns over what we believe to be a national Indian goal: To provide the highest possible health status to all Indians and to move towards developing strategies that will provide Indian Health Service and tribal governments all the resources necessary to accomplish that goal.

The Affiliated Tribes of Northwest Indians (ATNI) are deeply concerned over the current trends and policies of the federal government's involvement in the provision of health services to American Indians. We believe trends, such as the "new federalism", the Administration's consistent theme of eliminating critical health delivery programs, the President's veto of the Indian Health Care Reauthorization Bill, and OMB "recission" proposals, are indicative of a federal attitude which seriously dilutes the trust responsibility for health delivery to Indian people. Indian Health Services are already stretched to their limits; it is now incumbent upon us to unite and confront this situation in a manner that will retain our pride and dignity, and restore and peserve the government relationship we have fought to protect.

Legal Basis for Health Services Delivery

Recognized Indian tribes and their members have an enforceable right to receive health care from the United States. This right is based on several points of settled law and established history.

Trust Responsibility

The provision of federally-funded health care to Indian tribes began during the years when Indian affairs were administered by the War Department. Military physicians were assigned to prevent the spread of contagious diseases in the first Congressional appropriations for Indian health care.

The federal policy to begin to provide health services, food, and other social services to Indians was necessary because of the extreme hardship tribes were subjected to in the process of settling Indians on reservations where traditional practices of self-sufficiency could not be followed. In the Kagama Case, the U.S. Supreme Court stated: "they (meaning Indians) owe no alligiance to the States, and receive from them no protection. Because of local ill feeling, the people of the States where they are found are often their deadliest enemies. From their very weakness and helplessness so largely due to the course of dealing of the federal government with them and the treaties in which it has been promised, there arises the duty of protection, and with it the power. This has always been recognized by the Executive and Congress, and by this Court whenever the question arises."

Under certain circumstances the Supreme Court has held that the duties of the United States to Indian people are those of guardian and a ward. When those circumstances are present, the United States can be compelled through the courts to provide its wards with goods and services. In United States v. Mitchell, the Supreme Court said "a fiduciary relationship necessarily arises when the government assumes such elaborate control over ... property belonging to Indians..." and recognized the "undisputed existence of a general trust relationship between the United States and Indian people." This Court has previously emphasized "the distinctive obligation of trust incumbent upon the government and its dealings with these depenant and sometimes exploited people." This principle has long dominated the government's dealings with Indians... Given the existence of a trust relationship, it naturally follows that the government should be liable in damages for the breach of its fiduciary duties...prospective equitable remedies are totally inadequate." The history of the provision of health services to Indians and the scheme of federal treaties, statutes, and regulations providing health services to Indians is no less comprehensive, (White v. Califano), 437 F. Supp. 543 (D.D.F. 1977), aff'd. 581 F.2d C97 (S.Cir, 1978.)

Treaties

Beginning in 1836, a number of Indian treaties, including many of those in the Pacific Northwest, bound the United States to provide health care to tribes, an obligation that remains enforceable in court. The Constitution of the U.S. is very clear: "
This Constitution...and all treaties made, or which shall be made under the authority of the United States, shall be the supreme laws of the Land." (Article VI).

Legislation

For many years before authorizing legislation was passed for Indian health care, Congress and the Administration acknowledged the federal responsibility to provide health services to Indians by appropriating funds for this purpose, first to religious and philanthropic organizations and then beginning in 1910, to the Bureau of Indian Affairs (BIA).

In 1912, President Taft sent a special message to Congress requesting additional health care dollars for Indians: "As guardians of the welfare of the Indians, it is our immediate duty to give the race a fair chance for an unmaimed birth, a healthy childhood, and a physically efficient maturity."

Through the Synder Act of 1921, Congress demonstrated its intent to provide health and other services to Indian people for as long as the federal-Indian trust relationship continues. While the language of this Act is general with regard to actual appropriations the legislative history of the bill shows that the Act was adopted in order to provide specific authority for teh delivery of federal services which ahd for decades been viewed as "itegral parts of the Indian services, nearly all of which have been appropriated from year to year and will continue, in all probability, as long as the Service does." H. Pep. Mo. 275 67th Congress,1st Session (1921), and 61 Cong. Rec. at 4684. Debates concerning the Act show that Congress was well aware of the guardianship responsibility of the federal government with respect to Indian affairs and were specifically aware of the poor health status of Indian people and the importance of health care to their future. During the debate on the Act in the House of Representatives, Representataive Leatherwood from Utah went so far as to characterize health care as one of the "fundamental obligations of the federal government to Indian people." In the Johnson O'Malley Act of 1934, 25 U.S.C. Section 453, et.seq., Congress acknowledged the federal government's responsibility to provide comprehensive medical services for Indian people. The legislative history of the JOM Act emphasizes that the federal government would retain financial responsibility for the provision of services to all members of federally-recognized tribes.

Congressional reports on the Act state that the term "medical attention' as used in the Act meant to include:

> physical examinations, medical and surgical work and treatments, hospitalization, dispensary and concalescent care, nursing, sanitation, and the application of such other public health measures as might be necessary, including prevention, investigation, suppression and control of contagious and cummincable diseases.

The Transfer Act transferred health services to the Department of H.E.W., now Department of health and Human Services (DHHS). The Senate report on the proposed transfer acknowledged that "the BIA is responsible, under present law, for the total health program--both preventive and curative medicine - for all Indians registered as members of the various tribes in the U.S. and Indians and natives of Alaska and the legislative hsitory of the Act shows that the Transfer was motivated in large part by the desire to IMPROVE the quality of medcial services provided to Indian people by placing them under the control of the professionally controlled and better-funded IHS. The Indian Health Care Improvement Act of 1976 established a new framework for increasing federal health and medcial services to Indians. Congress recognized that insufficient services and appropriations were being made available to meet the federal responsibility for Indian health care and set forth a plan of action "in fulfillment of its special responsibilities and legal obligations to the American Indian people to meet the national goal of providing the highest possible health status to Indians and to provide existing Indian health services with all resources necessary to effect that policy." The Act further states that:

"Federal health services to maintain and improve the health of the Indians are consistent with and required by the federal government's historical and unique legal relationship with and resulting responsibility to the American Indian people."

"All other federal services and programs in fulfillment of the federal responsibility to Indians are jeopardized by the low health status of the American Indian people."

"...comprehensive health care services, including hospitals, ambualtory care services preventive and rehab services, and development of community sanitation facilities...

A legal review of the above general legislation concerning health care for Indian people concludes that it creates an enforceable contract between the federal government and the Indian people with respect to health care.

Service Deficiencies in the Indian Health Service (IHS)

The IHS has never met its acknowledged and documented responsibility for providing adequate health care to Indians. Appropriations have historically been inadequate, even immediately following the passage of the Indian Health Care Improvement Act, which aimed to bring Indians to parity with the general population in health care within seven years. During the past five years, budget pressures have eroded the services more each year, requiring tribes in many areas to be restricted to "urgent and emergent" services only (services which, if withheld, would result in death within one year.) Preventive and educational programs, as well as mental health and alcoholism care, though always inadequate, have been further reduced.

The federal responsibility to this desperate budgetary situation is to try to reduce the eligible service population. Present IHS regulations have created a system in which the ability to get medical care depends not on medical necessity but on the administrative delivery mechanism and on the availability of dollars appropriated to purchase the medical services. Over 50% of the Indian people, who now live away from the reservation have been illegally declared ineligible for most Indian health services. Now, faced with a population increase of over 2% per year, with more and more tribal members returning to the reservation, and with numerous terminated tribes being restored to eligibility for IHS services, the Administration is again seeking ways to restrict eligibility, in defiance of the clearly-stated desire of tribal governments to determine health care eligibility for their populations.

The budget cuts mandated by the Gramm-Rudman Deficit Reduction Plan, if implemented, would have a devastating impact on the ability of IHs to provide health care. Considering the current IHS health services budget (excluding administrative costs which receive a much larger cut) and calculating in an estimated 10% annual increase in the cost of health care and a 2% annual increase in the service population (based on birth rate), the health serviecs available to each Indian person in 1991 at the end of the Gramm-Rudman cycle would be only 52% (one-half) of what they are today. Given the current restrictions limiting most care to emergencies only, a reduction of this magnitude would leave almost no health system at all!

Position Statement

Current Indian health problems are substantially attributable to the twin cornerstones of historical federal Indian policy: the reservation system, and federal, as opposed to tribal control over tribes and reservations in legal, political, and economic matters. To refer to the resulting obligation as "moral" is to ignore the role law plays in creating and maintaining this control. If the federal government is legally entitled to this control, yet not legally responsible for consequences, then the trust responsibility is no more than a cynical policy of racism and power politics. Power without commensurate obligation is tyranny.

Health care for Indian people is not a racial issue, nor is it a financial issue; it is a legal and historical obligation based on treaty, law, and the trust responsibility which the federal government forcibly assumed over Indian nations. The efforts of the federal government to blame increasingly inadequate Indian health services upon budget restrictions is, in effect, a back door attempt at termination of a trust responsibility that could not be dissolved in the Courts. The proposal to change the Indian Health Service. In consideration of the federal responsibilities and commitments cited earlier in this paper, we hold that the Indian Health Service should not only be completely exempted from any further reductions but instead should be enhanced to meet the acknowledged federal responsibility.

TESTIMONY

to the

HOUSE APPROPRIATIONS SUBCOMMITTEE

on the

FISCAL YEAR 1987 APPROPRIATIONS

on behalf of

THE AMERICAN INDIAN HEALTH CARE ASSOCIATION

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TESTIMONY TO THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON THE FISCAL YEAR 1987 APPROPRIATIONS ON BEHALF OF THE AMERICAN INDIAN HEALTH CARE ASSOCIATION.

Mr. Chairman, on behalf of the American Indian Health Care Association, I appreciate this opportunity to appear before you today to discuss the fiscal year 1987 appropriations for the Urban Indian Health Program. For the for the last five years, the Administration has requested no funding for urban Indian health programs and this continues for fiscal year 1987. Once again, the 37 urban Indian health programs throughout the country are faced with the increasingly difficult task of maintaining funding for our essential health service program. We appear before you today to request $10.75 million for the fiscal year 1987 Urban Indian Health Program.

According to the 1980 census, over 50% of the American Indian population now resides in urban communities across the nation. A large percentage of that population was moved to urban areas as a result of the massive relocation program undertaken by the Federal Government during the 1950's. This urban Indian population continues to maintain strong ties with their respective reservations and the majority continue to be tribal members. No Act of Congress and no court decision has ever determined that their status as Indians terminates once they cross the reservation border. In fact, Congress has emphasized that the Federal Government has a responsibility to provide health care to Indians, including urban Indians, in the Indian Health Care Improvement Act and Ammendments. The members of the American Indian Health Care Association continue to take this commitment seriously and believe that the continuation of the Urban Indian Health Program is absolutely critical.

The Administration's position is that urban Indian health programs are unnecessary because there are alternative sources of medical care for the patients that we serve. Repeated requests have been made to the Department of Health and Human Services to furnish detailed information as to the actual nature of those "alternative resources". To the best of our knowledge, no such information has ever been furnished. We who administer these 37 programs know, beyond a doubt, that the alternative resources simply do not exist. It is important to note, that while all clinics receive funding from other sources besides Indian Health Service, these resources are becoming less available because of the need to reduce the federal deficit. Other "non-protected" federal funding, state, county and local funding can be expected to decrease during the next years. The urban programs have been able to document that these resources are extremely limited.

1. Unlike tribes and tribal organizations, urban Indian organizations are not eligible for direct funding under the federal block grant program.

2. Changes in state Medicaid/Medicare policies through stricter eligibility criteria, demand for copayment, deductibles that must be met before care is reimbursed, and ceilings on reimbursement severely limit Indian participation. As a result of these changes, the urban Indian health programs overall have sustained a 5% decrease in Medicaid revenue for 1984.

3. Some metropolitan health systems refuse to provide health care to Indian patients believing they are a federal responsibility.

As the Chairman of this Committee has noted, you cannot solve the federal deficit by eliminating critically needed health programs. There is no safety net for the Indian people of our cities; literally there is no place else to go.

During the course of the effort to reauthorize the Indian Health Care Improvement Act, the Association has presented numerous statements from other health care providers in communities having urban Indian health programs stating that they simply do not have the resources nor cultural understanding and could not provide services to our patient population. Statements from local medical associations, city and county public health associations, city and county public health departments, and public and private hospitals reaffirm that urban Indian health programs are not in any way duplicating services which are already available to the urban Indian population. It should be noted here that all of the urban Indian health programs have extensive linkages with other local health care providers for comprehensive services and that a substantial effort is made by the urban program to seek necessary funding from other sources besides the Indian Health Service. Urban programs also collect reimbursements from Medicare, Medicaid and from third party insurers.

The funds that we are requesting today will provide an increase of 9.7% over the fiscal year 1986 appropriations. This increase is based on the level of health care inflation, which as you know, has been considerably higher than the general level of inflation. Appropriations have been significantly below authorizations. Since the programs have never been appropriated enough money to even keep up with health care inflation, sufficient funds have not been available to allow programs to meet their increasing needs. Many programs have struggled to maintain services in the past five years because of the disparity between appropriation levels and need.

According to data available from the Bureau of Labor Statistics, the Medical Care Consumer Price Index has increased at an average annual rate of 15.7% since 1972. If this actual increase in the Medical Care Consumer Price Index had been reflected in the appropriation levels from fiscal year 1978 for urban Indian health programs, the appropriation level for fiscal year 1987 would have increased to $14,363,040.

As a result of this shortfall in appropriations over the last eight years the urban Indian health programs have actually incurred a present loss in annual buying power of $5.5 million. It is not surprising when we review these statistics that the health status of American Indian people falls significantly below that of the general population.

The Association urges that Congress deny the President's recission request to withold approximately 25% of the fiscal year 1986 appropriation for the Urban Indian Health Program. This loss in present operating funds would be catastrophic to the urban Indian health programs and could effectively eliminate many programs on whom the urban Indians depend for primary health care services.

As you can see, this level of funding that we request today comes nowhere near the level which is needed by urban Indian health care programs to meet the "unmet need". We must ask ourselves and this Administration, when will that need by met? When will the infant mortality rate for our children come close to approaching the national average? When will the goal of bringing Indian health status to parity with the rest of the population be achieved?

Thanks to the support of many members of Congress, including yourself, Mr. Chairman, the urban Indian programs have continued to survive. The dollars available to support these programs have never addressed the true need for health services. It has been almost impossible for programs to expand during the last five years to meet the demand for services. Of the 37 urban Indian health programs, 32 provide various types of direct health care delivery. During fiscal year 1985, the urban Indian health programs provided 175,536 outpatient medical visits; 53,369 outpatient dental visits; 145,068 visits for health education, nutrition, mental health, optometric, and other allied health services; and 145,068 community service outreach and referral direct encounters. This represents a 4.1% increase in total services over 1984. Most of these programs have ample documentation demonstrating the need to provide more types and levels of service and to treat more people.

The urban Indian health programs have gone on record repeatedly requesting accountability. The present implementation of the standardized reporting system will make a significant contribution toward this accountability. Indian Health Service has performed numerous evaluations of the urban Indian health programs over the past few years. Yet no funding has been made available to improve weaknesses cited in these evaluations. The urban programs have made extensive improvements based upon the previous evaluations and expect to continue to do so. It is clear that increased efforts must be devoted to the urban Indians' needs and this Administration must recognize that the problem will not go away simply because they wish it to.

Mr. Chairman, American Indian and Alaska Native people have always been a mobile population. Indians residing in urban areas maintain strong ties with their tribes and mirror the same low health status of their reservation cousins. To ignore the urban Indian population is to abandon the national goal established in the Indian Health Care Improvement Act, "...of providing the highest possible health status to Indians....". The American Indian Health Care Association, and the 37 urban Indian health programs it represents, have struggled for the last five years to survive and maintain current services. We thank you for your continued support and ask for your renewed commitment to this national goal through the appropriation of $10.75 million for the urban Indian health program in FY'87.

Thank you.

THURSDAY, MARCH 6, 1986.

URBAN HEALTH

WITNESS

PAMELA IRON, INDIAN HEALTH CARE RESOURCE CENTER OF TULSA

Mr. DICKS. Pamela Iron, Indian Health Care Resource Center of Tulsa.

Ms. IRON. It is a pleasure to be here. I want to thank the committee and you, Mr. Chairman, for supporting Urban Indian Health Care, not only last year, but the last ten years I have been coming to town to address the needs of the urban Indians.

Mr. DICKS. You have done a very good job, you and Jo Ann Kauffman have done a good job in presenting a very strong case for this program and we are going to have another big fight this year because it has been zeroed out, as you know this year in the budget. We will have to work on it and we hope you will help us over in the other body. That is how we refer to the Senate.

Ms. IRON. We will do everything possible.

Mr. DICKS. Especially with the Senator from Idaho. It would be very helpful.

Ms. IRON. This year, we are requesting $10.25 million which takes into consideration the four percent inflation factor and this already assumes the two percent Gramm-Rudman reduction. Also we are asking, of course, to really watch and deny the rescission which is $2.4 million in Urban Indian Health.

This amounts to a 26 percent reduction in our health care programs, but it not only means reduction, what the language actually states is that we have been good little programs, but we have done our job and that there are other Federal, local and state monies that are available for the Indians to participate in and we will receive funding until March the 31st, which is just a few days off, and then they will give us another 30 days for close out.

So this is what is actually in the proposed rescission by the administration. There are 37 programs throughout the United States, of which 32 provided a variety of direct health care delivery. During the fiscal year of 1985, these programs provided 175,000 out-patient medical visits, 53,000 out-patient dental visits, 145,000 visits for health education, nutrition, mental health, optometric and other allied health services, and 145,000 community service outreach and referral direct encounters.

This represents 4.1 percent increase in total services over 1984. Most of these programs have ample documentation demonstrating the need to provide some types and levels of services and to treat more people.

Mr. DICKS. Let me make one thing clear. I doubt that Congress is going to go along with this rescission. They have 45 days in which the Congress has to act affirmatively and I would be very surprised if that happened. I am confident that it won't happen.

Ms. IRON. So I can go home and say we won't get a rescission; right?

Mr. DICKS. I think you can say informed sources have told you, or reasonably informed, normally informed.

Ms. IRON. This will make me sleep better.

Mr. DICKS. We are going to do our best to defeat that rescission. That would be a very serious mistake.

Ms. IRON. Thank you very much for that.

In talking about the other Federal, state and local monies, of course, you realize that many of these are facing rescissions under Gramm-Rudman and the first thing they do is bring them back from the Urban Indian Health programs. Many of them, as you know, the first initiative was to go out and develop these other resources.

For instance, the community health center money is faced with a rescission of $21 million and also the Gramm-Rudman cut of one percent and two percent next year.

National Health Service Corps is facing reauthorization and reductions in addition. An example of this, of dwindling resources, is in dollars at the Dallas Intertribal Center. They are eliminating their Federal hire corps doctor and dentist. The one doctor and dentist that has to be eliminated will cause a very drastic reduction, of course, in services to the Indian people in Dallas.

The Dallas program has raised $25,000 in about four months and this is not only through the director, but the community effort. In order to replace these professionals, it is going to take $105,000. IHS has refused to come up with these dollars and so has the Bureau of Community Health Service, so it has kind of been a stand-off between the two who will take the responsibility.

Right now the doctor's salary is of the utmost importance and this figure amount is needed by July the 1st. What they have told me is that $50,000 will cover the full benefits of the physician, including malpractice.

I am asking this committee to include this in their supplemental or to direct Indian Health Service to come up with this resource and I would appreciate it if this committee would look into this. One of the other areas that I would like to address—two other areas—is the Indian Child Welfare Funds and alcoholism, as Jo Ann did.

Ten of the Urban Indian Health Programs have the IHCRC grants and, as you know, it is proposed that these funds be eliminated. There is $2 million assigned to the Urban Indian Health Programs, $710,000 is for the Alaskan natives not in addition to the 2 million, and the proposed administrative budget eliminates these two programs, but in the justification, it insinuates this money is going to be transferred to tribes.

At the top of it, it says the decrease elimination, and then in the body of the justification it says that the BIA is doing this so that BIA can focus on the reservations and so that all the resources can go to the reservations because urban Indians have more resources available and that this has always been a problem that they go to urban Indians instead of the reservation.

Well, I was really disturbed by this justification because a decrease does not mean a transfer. So I would like the committee to consider and look at that piece of legislative wording. What has happened is that these programs really depend on the IHCRC funds because they use them for preventive family break-up and they are kind of really a network with the tribes.

They all have resolutions working with the tribe to prevent the children from being taken out of the homes and to provide a lot of other resources. The other area I would just like to say a few words about is the alcoholism.

In our case load at Indian Health Care Resource Center, in our preventative family break-up, we have documented that in 75 percent of our cases if alcoholism was eliminated then those folks would not need that.

I think that is a real statement to the fact that better alcoholism—or that this alcoholism needs to be a priority, an initiative and I think one of the main reasons is that people do not know or are not educated about the disease. It is a very hard disease to get a handle on and to become educated on and it is not just an alcoholism counselor that needs this.

It needs to be done throughout the professionals. The editors need to have the information and knowledge, the Indian Health Service physicians, all of the providers, so that they can be aware and know how to integrate and how to address it.

Mr. DICKS. Okay. That has been a very good statement and I appreciate your commitment and hard work in this area.

Ms. IRON. Thank you.

Mr. DICKS. Thank you.

[The statement of Ms. Iron follows:]

Testimony
for the
House Subcommittee on Appropriations
Interior and Related Agencies

March, 1986

Presented By
Pamela E. Iron,
Executive Director

Mr. Chairman, the Indian Health Care Resource Center appreciates the opportunity to once again appear before the Committee to provide information on the health needs and health care status of American Indians residing in Tulsa, Oklahoma.

Appropriation Request

The IHCRC Board requests 10.25 million be the level of funding for urban Indian Health programs.

Background

The Indian Health Care Resource Center is in its' tenth year of operation. In that period of time we have developed from a referral and outreach program to providing pediatrics, family planning, general medicine, obstetrics/gynecology, immunizations, diabetic clinic, and ancilliary services such as laboratory and dispensary. This year x-ray equipment was purchased and is being installed this month. Optometric equipment was donated from the Oklahoma National Guard 45th Aviation Battalion. Church groups and the Rotary Club donated money for the chair and optometric stand.

The Dental Clinic provides preventative and restorative care. The Indian Family Services Department provides a wide range of counseling including group therapy, parenting, Baby's Lib, Al-Anon, and alcohol counseling, and transportation. In addition, IHCRC operates a WIC program which is a supplemental feeding program for pregnant women, infants and children up to five (5) years of age. Currently there are twenty-seven (27) full time staff and three (3) part-time. Patients are billed on a sliding scale fee with $3.00 being the minimum charged. Medication is dispensed for $3.00 per prescription.

The Board of Trustees have adopted all management policies and together with the staff, the needs are identified annually, assessing whether or not our services are right for today's market and determining if our customers (patients) have emerging needs which will require a change of emphasis.

The client profile shows 65% of the patient population are women and children. 62% of the patients meet the minimum patient pay category, 30% are from 10% to 90% on the sliding scale fee and 8% are 100% pay patients. For the 0 pay patients we file medicare or medicaid. 65% of the patients do not have transportation, the largest group served are women between the ages of 20-34 with children being the next largest category.

The Center has developed formal linkages with twenty (20) medical and social service agencies ranging from the Tulsa branch of the O.U. Medical Center to the Tulsa City County Health Department. Three (3) major Universities and one (1) Junior College train their Registered Nurses in our facility. (Oral Roberts University, Tulsa University, and Langston University). In addition, interns from the Tulsa Vo-Tech and Bryan Institute intern in Dental Assistant, and Medical Secretary positions. Our staff supervises their work. The Northeastern State College at Tahlequah and Tulsa University students train in the mental health component supervised by the Psychiatrist and MSW. These are master level and PHD candidates in counseling. This is a service that we provide to the Tulsa community.

Health Status Accomplishments Include

1. Changing the health care pattern from emergency room care to regular routine preventative health care such as well baby check ups, immunization, regular pap smears.
2. Altered prenatal care practices - in 1976 90% of the patients were coming to the clinic for their first visit in the third trimester or 7-9 month of pregnancy. Charts were sampled each year to see if their were any changes. In 1985 90% were receiving care in the first trimester. Now most people would attribute this to a successful patient Education Program and state the patients were uneducated. But culturally appropriate services were paired with patient education for this success. Many

tribal customs are just the opposite of eary care and intervention. An example all tribes hold child birth as a sacred event. It is not talked about except to very close family members. It is customary that preparation for the birth of the baby is done by relatives at the time of arrival. However, through proper awareness such as the Home Visitations by Community Outreach Workers. This personal contact kept with the concept of keeping tribal customs but that an early visit to the doctor is okay and healthier for the mother and baby. The cultural practices were not changed but linked with early prenatal care. Another example of culturally appropriate services that would not be considered in the traditional western private practice is acknowledgement and acceptance by the physicians of traditional Indian Medicine Practices. The medical personnel are fined tuned into an awareness that Indian people have the right to their traditional values. My intent of all the previous dialogue is to establish beyond a shadow of a doubt that the urban Indian Health program is an integral part of the Indian Health Service Delivery System for a major part of the Indian population of this country.

We give something to the community such as reduction in hospital care, reduction in the amount of Indians traveling long distances to Indian Health Service facilities with major health problems and we definately provide the community with services such as the intern programs. Many of the staff volunteer on other community boards such as Community action Agencies, Mental Health Councils, and the Human Rights Commission.

The administration has constantly alluded to the fact that their are alternate resources. In most of the cities there are no County hospitals. Tulsa has four (4) private hospitals. The Community Health Centers have been considered as a resource but these funds do not adequately address the populations that they are intended for which is the old model cities area.

I would like to recommend that language addressing a Uniform Reporting Requirements be included that defines services and patient visits, measures the progress of the programs and is used as a tool for internal management and planning Health Indicators. I am recommending that an allocation formula be developed for allocating funds based on standards used by National Health Planning organizations which might include census, health risk factors, poverty level, and utilization rates.

On behalf of the Board of Trustees, staff, and Indian citizens of Tulsa we want to thank you for your interest and concern for the health status of the American Indian.

Mr. Dicks. We are going to suspend just for two minutes.
[Recess.]

Thursday, March 6, 1986.

BIA, IHS

WITNESS

JIM SAPPIER, PENOBSCOT INDIAN NATION

Mr. Dicks Mr. Jim Sappier is here for Mr. Love. We will put your statement in the record.

Mr. Sappier. I would like to thank the committee.

We are extremely grateful for what the committee has done in the past with respect to Indian committees. Our primary testimony today is basically on the cuts, but we have a little narrative on newly recognized tribes.

Penobscot was recognized in 1976–77. There was no formula or review as to what level of resources were needed for each of the BIA programs.

In any case, whatever was left over in the Bureau is what we had as our base budget and that has been consistent. We wouldn't mind that 4.3 percent cut, for instance, if we had the agency level resources for what BLM uses.

They use over $8 an acre for the management of their lands and we really have about $2.85 per acre for management of our lands. It is getting pretty bad so we sent a retrocession letter to Secretary Hodel last December telling the Secretary we are considering and reviewing the cuts in the Penobscot Nation. We believe it is turning back the programs we have at the Bureau.

We are a 638 tribe to contract all of our grants with the Bureau. In any case, that is spelled out in the letter here. That is the presentation.

The legal fees that we use for protecting the river, Penobscot River, as well as the Nation, won a prize. We won an election by the Department of Energy for nuclear waste radioactive dump in our lands, Penobscot lands.

We don't seem to be able to find trust monies or trust rights monies to help with our legal fees to take on this battle of Department of Energy tying up our lands for nuclear waste sites. It seems to me that the Secretary's legal fees that are in the Secretary's Office that protect the Secretary from Indians instead of protecting tribes from external entities coming in taking over our lands.

It is quite serious. Last year, we found out that the Fair Labor Standards Act applied to our employees including our game wardens and our police officers. We are running at a $90,000 deficit right now with our wardens and our police officers just with the overtime and post considerations that we have foregone prior to find out that act applied to us.

We just had a new school built. We were going to be going into that new school in May and in any case that new school, orally, the Bureau has said, yes, we are within the budget for an increase. We never got anything in writing from the Bureau or from the education staff.

Of course, we are against the IHS rescission and you stated that earlier you didn't think it would make it. We would not want to be cut at all now.

It seems the time is just lousy. We need about five or six years so we can move and have some income coming in from some of the projects we are working on now.

One other thing on education. The scholarships at UMO have been putting up board and tuition for Indians at no cost to us. Trustees have made that decision, but they, too, are getting cut.

They have been saving us about $280,000 a year. If anything can be done in scholarships, we would appreciate it very much.

Mr. Dicks. We will take a very close look at your testimony and this committee has always tried to do its best to help the tribes. I think it is very important—I will say this to all the other people who will testify—that you have got to make certain that you have let your own state congressional delegation know about your concerns.

Mr. Sappier. We will let the New England delegation know. When are you coming up to Maine?

Mr. Dicks. Haven't been invited.

Mr. Sappier. You are invited now. Come up to Penobscot.

Mr. Dicks. Thank you very much.

[The statement of Mr. Sappier follows:]

Office of the Governor and Council
Timothy Love
Governor
James Sappier
Lt. Governor
Priscilla Attean
Representative

[illegible]
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March 6, 1986

Congressman Sidney Yates,
Chairman
Interior Appropriations Subcommittee
House of Representatives
B-308 Rayburn H.O.B.
Washington, D.C. 20515

CONGRESSIONAL HEARINGS FY '87
for
Bureau of Indian Affairs - USDOI,
Indian Health Services - DHHS
Indian Office of Education - DOE
and, Related Congressional Legislation

Honorable Congressman Yates, Mr. Chairman, and members of the Committee, we thank you very much for this opportunity to give testimony today. The Penobscot Nation is grateful to this Committee and the staff for the tremendous successes Indian communities have had over the years, due primarily to your efforts.

Our primary testimony is not an impossible task that we must ask you to undertake at this time. The Penobscot Nation as other newly recognized Tribes have been in transition, an adjustment by which our ideal situation is five to six years away. In 1977 and following years our base budgets for normal BIA Agency type programs have entirely been based on left-over funds, carry-over funds that the Bureau had. No formula exists nor does any equitable system exist in the Bureau or Interior for a new Tribe. Penobscot Nation has no problem with a 4.3% cut across the board if we had the Agency level resources for each of the BIA Program/Service areas. Penobscot Nation is a 638 contract Tribe and in many ways suffers the consequences of trying to be independent.

Last December, two days after Christmas we were forced to send a letter to Secretary Hodel in notifying the Secretary that it was time to consider retrocession, turning back all BIA contracts. Our reasons were:

(1) failure of the Executive Branch of the United States Government to adequately request funds from the United States Congress to operate PL 93-638 Contracts at Penobscot Nation and,

(2) failure of the United States Congress to adequately fund the Bureau of Indian Affairs PL 93-638 at the same level which would be required by the Secretary of the Interior if those programs

were operated by the Secretary at the Reservation level.

The Bureau's Eastern Area Office has heard our requests and in the early years submitted requests on our behalf only to be denied either by Central Office or OMB. Land Management costs, for example, utilizing BIA Agency personnel or USDOI Land Management personnel exceeds well over $8.00 per acre, at Penobscot we receive $2.85 per acre.

Legal fees to protect the Penobscot River, the largest river in Maine, has been our cost, as well as, the legal fees for protecting our lands from being condemned for locating an eastern Radioactive Nuclear Waste Depository. It fully appears that when we speak of Trust and Trust rights, it means the Department spends its resources protecting the Secretary from us, not protecting the Tribes. Priority for Fish and Wildlife and Law Enforcement must be given. We have had to raise the issues to BIA staff concerning our personnel and the application of the Fair Labor Standards Act regulations. Our Wardens and Police officers budgets need to be doubled at this time. Overtime alone has crippled our budgets.

A new school is being completed and obtained by Impact-Aid resources, a decision our School Committee made to free up school construction funds for other Tribes. Our school must have adequate Operation and Maintenance funding which increases annually until FY '89. (In FY '87 - 7th grade; FY '88 - 8th grade; and in FY '89 - 9th grade, respectively.) Education staff has told Sister Helen, our School principal, we are in the budget for these fiscal year changes. To date, we've received nothing in writ ing.

We have not been critical of the Bureau or Interior over the years, as we've been a recognized Tribe for only a few years. Now, we need to expose those many weaknesses and faults to be corrected which will improve our situation(s). We cannot at this time under-go cuts. The resources generated at home are used for Tribal community projects and related costs, like matching various grants for elderly programs, children's programs, streetlights, water and wastewater treatment, snow plowing, and sanding, fire department, Governor and Council tribal government support, etc.

IHS budgets cannot and should not be cut any further than the 1% identified across the board, please do not allow the presidential recission - we depend heavily on the CHR program, and those programs identified. Being a Northern Tribe and newly recognized all resources are needed as IHS program impacts have only just begun. We are not requesting any expansion nor any increases. Alcoholism and diabetes associated with heart conditions and cancer continue to plague our community. We need these services and request your support in helping us keep them.

Thank you very much!

James S. Sappier

James G. Sappier,
Lt. Governor

THURSDAY, MARCH 6, 1986.

BIA

WITNESS

JUDY KNIGHT, COUNCIL OF ENERGY RESOURCE TRIBES
DAVID LESTER, COUNCIL OF ENERGY RESOURCE TRIBES

Mr. DICKS. Judy Knight and David Lester, as well. Glad to have you here today.

Ms. KNIGHT. Thank you. I am pleased to be here. I am Judy Knight and I will introduce the people that I have with me. To my left is James Steele, Council Member, Salish-Kootenai Tribe from Montana; Lucille Echohawk, the Executive Assistant for our organization; and to my right is Bob Martin, who is counsel to the Ute Mountain Ute Tribe, and I am Judy Knight, Vice President and Chairman of the Ute Mountain Ute Tribe and Chairman of the Council of Energy Resources Tribes.

Mr. DICKS. We will put your entire statement into the record, Judy, and because of the time constraints, I hope you can summarize the major points that you would like to make here today.

Ms. KNIGHT. CERT is operated by 41 tribes federally recognized and the organization is—we do many things. A couple of things that I will bring out is that we have been the organization that has been instrumental in creating jobs on our reservations and we have a fund-raiser, an education fund-raiser which it is not federally supported, not with Federal funds.

We do it from the private sector working through oil companies and that will be coming up soon. We receive some assistance from the Bureau of Indian Affairs and we are not here today to urge that we get a larger appropriation.

We are here supporting the BIA's Minerals and Mining Program.

Mr. DICKS. Go right ahead. Excuse us. Go ahead.

Ms. KNIGHT. We are here today to urge this committee to use existing limited funds to assist the tribes who benefit from the programs that we have. Our request for the fiscal year 1986 budget has been reduced by quite a bit.

I guess the main thing we want to point out is that the Bureau with the program they have are controlling a lot of the tribes. What we want to see is for the tribes to be able to use the money for the needs on the reservations.

The tribes know what is needed. We realize that the studies that the Bureau is doing with USGS is needed, but I think the tribes should be able to say how they want it done, in what areas.

The tribes have priorities in these areas and for a lot of tribes all this is—they are scheduled two years ahead for this funding and the Bureau comes in and says we are going to do the study. The tribes don't know what is being done and our member tribes know what they need and what we would like done with that funding is let the tribes get the money and then use other resources to do like other organizations would be one good place for them to be able to use the money.

Our funds are very limited so if we could get some other monies our member tribes and other tribes could really benefit. That is what we are requesting.

[The statement of Ms. Knight follows:]

STATEMENT OF JUDY M. KNIGHT
CHAIRPERSON

The Council of Energy Resource Tribes (CERT) is a tribal organization, as that term is used in the Indian Self-Determination Act of 1975. The governing body of CERT is the elected leaders of 41 federally recognized Indian tribes which together represent over one-half of all Indians living on reservations today, and an even greater percentage of all Indian lands in the United States.

With a small core staff of dedicated professionals, our tribal organization possesses expertise in geology, geophysics, drafting, accounting, economics, business management, and the environmental sciences. CERT staff members have been appointed by two Presidents to head federal agencies and have managed mineral and mining operations around the world.

The Bureau of Indian Affairs has made an important contribution to our collective tribal goal of increased returns from the development of our natural resources. Over the years this contribution has generated unprecedented and unparalleled returns. In the ten years since our organization was formed, the energy production from our lands has more than doubled to its present volume of the equivalent of some 132,000,000 barrels of oil annually. This level of production sustains more than ten thousand full-time jobs in the American economy, and contributes some $2.6 billion annually to the nation's balance of trade by displacing its equivalent in imported oil.

During the period since CERT was formed, our professional staff have assisted the tribes renegotiate many long-term contracts and leases with which this Committee has expressed its concern for the past two years. A few examples demonstrate the dramatic enhancement of reservation economies which this small federal assistance has made possible. On one of our reservations a pipeline company offered $300,000 for a twenty-year renewal of a right-of-way. Our staff, paid with funds which the BIA's assistance helps to make possible, renegotiated the entire agreement on terms which will pay the tribe more than $92 million over the 20-year period. Another pipeline right-of-way across the reservation of one of our member tribes was negotiated by our staff from the offered price of $2,000 to an agreement to pay $286,000. A third right-of-way was negotiated by our staff from an offer of $80,000 to an agreement for $1,760,000. Yet a fourth was negotiated from an offer of $191,000 to an agreed-upon of $1,500,000.

When the non-Indian owned bank which had served one of our reservation communities for more than 60 years failed in 1983, our staff worked with the tribe to locate alternative banking services to serve the reservation's 8,000 people. In January of this year, the tribe submitted to the Office of the Comptroller of the Currency an application to charter in the tribe's own name a national bank to serve the reservation. Our staff is presently working with another member tribe to apply for a license to construct a $100,000,000 hydroelectric generating plant, which we believe can be constructed without federal appropriations. Our staff is also assisting one of our member tribes in negotiations with the Department of Energy regarding purchase of the nation's only coal gasification plant. Many other negotiations are underway with the assistance of our staff in areas ranging from the purchase of four branch banks serving a reservation to power line easements; from oil and gas agreements to the renegotiation of coal mining leases; and from mining gypsum deposits to commercial renewable energy projects.

Not one of our tribes could afford to maintain all the professional capabilities which are represented by the staff which we have assembled by joining forces and pooling the small assistance we get from the BIA with similar amounts from other sources to achieve significant economies of scale.

It is important for this Committee to understand that our tribes are not wealthy. By almost any socioeconomic indicator, our tribes remain far less well-to-do than our non-Indian neighbors. Energy reserves in the ground, or even in production, do not automatically translate into disposal dollars. Farmers throughout the country own vast resources, but are not universally considered wealthy. Even the federal government, whose energy reserves dwarf those of our tribes, has trouble making ends meet. Notwithstanding the significant level of production from our lands, most of our tribes are still net importers of energy and many, of course, have no significant production at all.

For all of us, however, our energy resources do constitute our principal source of potential wealth; our principal source of revenue to provide governmental services to our people and to reduce our dependence on federal support; our principal source of jobs for our people; and our principal opportunity to develop, diversify, and stabilize our reservation economies.

It is for these reasons that we are pleased to be here today to discuss the Bureau of Indian Affairs' fiscal year 1987 budget request for minerals and mining. We want to emphasize that we are not here to urge additional appropriations for this subactivity. While we would like to see increased federal support for this program, so would we like to see increased levels of appropriations in many other Bureau programs which are important to us as well. We realize, however, the importance which both the President and the Congress have attached to reducing the federal deficit, and we are willing to accept our reasonable and proportionate share of the burden of this effort.

We resent bitterly, however, the Bureau's present posture of continuing to utilize monies appropriated for Indian programs as career-insurance premiums for employees of its sister agencies within the Department of the Interior. When the President ordered the 4.3% across-the-board reduction mandated by the Gramm-Rudman-Hollings bill in FY '86, the Bureau announced that its contribution to our organization in FY '86 was to be reduced by 42%, from $432,000 to $250,000. The contracts with USGS and with the Bureau of Mines were left virtually untouched.

We want to make it clear that we are not opposed to the inventory and assessment work that is done under these contracts. In fact, we are the tribes who urged the Bureau to undertake this work, not only for our member tribes, but for all reservations. This work is important and it should be continued within available resources. We find it particularly outrageous that our own tribal efforts should be subjected to such draconian measures, however, when the Bureau itself justified its FY '86 request in large measure by reference to the assistance which our organization provides not only to our own member tribes, but to the Bureau itself and to other tribes as well.

The Bureau has recognized the value of the work we have performed. It has not cited a single instance of so much as one BTU of energy produced as a result of the USGS and Bureau of Mines contracts; not one job created on the reservation; not one dollar in revenue generated; nor one cent of value-added to our reservations, or to the economy as a whole.

Our efforts, on the other hand, have created thousands of jobs, not only on our reservations but throughout the economy; we have generated hundreds of millions of dollars in revenues for our reservations; we have raised millions in contributions from the private sector for the education of our young people; and we have invested the monies in our own human and economic development.

We urge this Committee to direct the Bureau not to sabotage what is, in the opinion of the energy resource owning tribes that govern CERT, the most effective tribal organization existing today in the national effort to develop reservation economies, and to reduce tribal dependence on federal programs merely in order to protect the job security of employees of its sister agencies. Our request in FY '86 was for less than 4.6% of the funds appropriated to the Bureau for mining and minerals activities. Our member tribes represent more than 50% of all reservation lands. The Gramm-Rudman reduction in this program in FY '86 was $412,330. The Bureau has advised us that 73% of that reduction will be taken from the less than 4.6% of the program funds represented by our request. That is neither proportionate nor reasonable.

The facts and circumstances recited herein compel us to the conclusion that, in its zeal to protect its own position of control and privilege, the Bureau has lost sight of the true purpose to be served by the nation's allocation of these limited resources to the development of our economies and our people.

If the Bureau persists, as it proposes to do, in transferring 64% of the funds requested for its minerals and mining program in FY '87 to the USGS and to the Bureau of Mines, this will represent a one-time expenditure of $4,968,000 that will transfer no skills or technologies to the tribes; will generate no revenues for the tribes; will create no jobs on the reservations; and will result in no spin-off businesses or industries for the reservation economies.

Our experience, as individual tribes and as an organization, as well as studies that we have commissioned, convince us that only when the tribes themselves are directly involved in the development and control of programs administered for their benefit do the tribes realize any economic multiplier effect from these programs. We believe this is precisely what the Congress itself had concluded when it wrote this policy into law in the Indian Self-Determination Act of 1975.

We are not suggesting that any more of these funds be targeted toward our reservations. We do suggest that those tribes whose reservations are targeted for inventory and assessment work in FY '87 should be given this opportunity to participate in the development of this work, and the administration of these contracts. We are further suggesting that the Bureau should be directed to consider alternatives to the present practice of blindly presenting 64% of the program dollars available for the BIA minerals program to its sister agencies for conduct of this work. No tribe would be allowed to maintain such a sole source contract in perpetuity without pre-award audits; without post contract close-out audits; without negotiated costs; and without at least periodic competition.

We are further urging this Committee to direct the Bureau to undertake an objective scrutiny of the benefits derived from these contracts, in terms of jobs created; skills and technologies transferred; revenues generated; spin-off economic benefits derived; and to compare these with the comparable benefits derived from the less than 10% of that amount which is made available to our tribes in the form of assistance to our organization. We are confident that the differences will be found to be staggering in their magnitude.

Finally, we urge this Committee to direct the Bureau not to hold harmless those parts of this program which maintain employment for federal employees at the expense of the already small portion (less than 4.6%) of the program which we have been able to convert into jobs, businesses, and hundreds of millions of dollars in revenues. By insisting on performing all this work "for" us, the Bureau perpetuates the very dependence it proclaims to be seeking to end. This laudable objective will be achieved only when this work is done "by" us in a manner that not only promotes economic development, but also results in the true development of reservation-based economies.

Mr. **Dicks**. All right. We will take a very good look at this statement and as I told the other witnesses, it is a tough year because of Gramm-Rudman. Congress is going to have to reduce overall levels of spending but we will certainly do our best and we will certainly give real consideration to your testimony here today.

Ms. **Knight**. Mr. Chairman, if I could have Lucille say a few words and then Bob Martin. They will be brief.

Ms. **Echohawk**. We would just like to point out to the committee that under the Gramm-Rudman for fiscal year 1986, our portion of the BIA minerals budget was reduced not by 4.3 percent, which was Gramm-Rudman's figure, but by 42 percent. We were reduced from $432,000 to $250,000, which obviously is a disproportionate share and we certainly are willing to do our part, but that seems totally not only unrealistic, but very difficult to deal with.

We would also like to point out that we are seeking basically level funding. We believe that we do a great deal of good work for tribes that creates jobs and that causes tribes to take greater control of their own figure in terms of doing their own programs and we want to point out that in the next budget that the BIA is proposing to transfer almost 64 percent of the minerals budget to the USGS and Bureau of Mines and that is a one-time expenditure of almost $5 million and none of that goes directly to tribes.

Thank you.

Mr. **Martin**. I will try it in one sentence or less knowing the constraints of time. I think what Chairperson Knight is suggesting in particular is, for example, the BIA is recommending in its fiscal year 1987 budget about $4.968 million be transferred to the United States Geological Survey and the Bureau of Mines to carry out some mineral assessments for a number of targetted Indian tribes in the United States.

Why not compel the Bureau of Indian Affairs to live up to the principles of the Indian self-determination embodied in Public Law 93-638 and take a certain percentage of that amount which is targetted to be transferred and provide it directly to the tribes which have been selected to have studies done on their reservations?

I think a number of those tribes feel that when those studies were done by agencies within Interior they were not done cost efficiently and it is not a qualitative product. So, therefore, I think what we are suggesting is take a certain percentage of that amount which they want to transfer and provide it directly to the targetted tribes and see if they can't do the job better.

We are not asking for an increase, just a fair chance.

Mr. **Dicks**. Okay. Thank you very much.

Mr. **Martin**. Thank you.

THURSDAY, MARCH 6, 1986.

BIA, IHS

WITNESSES

CURTIS OSCEOLA, UNITED SOUTH AND EASTERN TRIBES
PATTY MANOR

Mr. DICKS. Curtis Osceola, United South and Eastern Tribes. Your entire statement will be placed in the record.

Mr. OSCEOLA. Thank you. With me today is Patty Manor, who works with us in developing information and other requirements that the organization runs into from time to time.

Mr. DICKS. Sure.

Mr. OSCEOLA. Again, my name is Curtis Osceola, Executive Director of United Southern Tribes located in Nashville.

On behalf of the 16 federally-recognized tribes, the organization represents, I would like to thank the committee for the opportunity to be here to present some of our views. The main areas that we are concerned about are two areas, IHS and BIA. The BIA Eastern Area Office, I think over a period of time, has been somewhat lacking in its obligations and responsibilities to the tribes.

One of the critical areas is that we have had tribes that have come on to the Federal acknowledgment or recognition on the Government relationship with the United States and in turn the Bureau has not had the proportionate increases in the budgeting process to meet the growing needs and also in the other areas the land management and forestry that has grown over the last few years that the Bureau has not addressed in its appropriations process.

Also, the other areas, I think certain programs may not be in existence right now that may be required by the Bureau or by the tribes that the tribes may be in need of services. There is a lot of developmental needs that tribes are requiring right now and there is a lot of progress being done with the limited resources available.

The economic development aspects is one area. Managing the land is the other area. Creating the tribal governments is the other area and those budgets need to be somewhat re-analyzed and also if there is a problem in the past in terms of how the eastern area was set up and the budgeting process was so much an afterthought in the budgeting process may have created an inadequate funding level on the overall eastern area budget.

The other area is that the tribes are pretty much on a contracted basis under Public Law 93-638, and a lot of them contracted services. There is minimum Federal employee presence on the reservations and here in the east and there is a lot of discussions and I think also appropriations problems in terms of contract supporting or the cost of managing these programs that the tribe has to bear when providing services.

So that is the other area that needs to be looked at by this committee. Those are the main points that we have here.

You may want to point out a couple other things.

[The statement of Mr. Osceola follows:]

UNITED SOUTH AND EASTERN TRIBES

GOOD AFTERNOON, MR. CHAIRMAN, MY NAME IS CURTIS OSCEOLA AND I AM THE [redacted] EXECUTIVE DIRECTOR OF THE UNITED SOUTH AND EASTERN TRIBES, INC. ON BEHALF OF THE SIXTEEN FEDERALLY RECOGNIZED TRIBES OUR ORGANIZATION REPRESENTS. I WOULD LIKE TO THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.

OUR ORGANIZATION IS HERE TODAY, NOT TO ADDRESS THE SPECIFIC NEEDS OF ANY ONE OF OUR MEMBER TRIBES, BUT INSTEAD TO BRING TO THE ATTENTION OF THIS COMMITTEE SOME SERIOUS PROBLEMS WHICH WE COLLECTIVELY BELIEVE ARE HINDERING ALL EASTERN TRIBES IN THEIR ATTEMPTS TO ACHIEVE ECONOMIC AND SOCIAL SELF-SUFFICIENCY.

THE FIRST OF THESE PROBLEMS INVOLVES THE BIA'S ALLOCATION OF DOLLARS TO THE EASTERN AREA OFFICE. AS YOU MAY BE AWARE, THE EASTERN AREA OFFICE OF THE BUREAU OF INDIAN AFFAIRS HAS UNDERGONE SUBSTANTIAL CHANGES IN THE PAST 10 TO 12 YEARS. WITHIN THE GEOGRAPHIC REGION SERVED BY BIA, EAO NEW TRIBES HAVE BEEN RECOGNIZED, LAND CLAIM SETTLEMENTS SUCH AS THOSE OF THE PASSAMAQUODDY AND PENOBSCOT HAVE RESULTED IN HUGE INCREASES IN TRUST ACREAGE: AND DEVELOPMENT OF THESE TRIBES HAS LED TO THE CREATION OF NEW AND EXPANDED PROGRAMS IN MANY AREAS. IN ADDITION, TRIBES SUCH AS SEMINOLE AND MISSISSIPPI CHOCTAW HAVE SHOWN REMARKABLE PROGRESS IN THE AREAS OF ECONOMIC DEVELOPMENT AND COMMERCE. WITH THIS PROGRESS, HOWEVER, HAS COME NEW AND DIFFERENT FINANCIAL AND PROGRAM NEEDS. WHILE THE USET ORGANIZATION IS PROUD OF THE ACCOMPLISHMENTS, THESE RAPID CHANGES HAVE ALSO RESULTED IN SOME SERIOUS PROBLEMS. FOR EXAMPLE, THE INCREASES IN THE EAO BUDGET WHICH COME AS NEW TRIBES SERVICE AND NEW ACREAGE HAS ENTERED THE SYSTEM HAVE NOT BEEN SUFFICIENT TO MEET THE ACTUAL NEEDS. THIS RESULTS IN PART FROM THE FACT THAT BIA HAS NOT HAD ANY SYSTEM FOR DETERMINING HOW MONIES ARE ALLOCATED TO A GIVEN TRIBE OR PROGRAM AND AS A RESULT THESE BUDGET DECISIONS WERE OFTEN MADE ON WHAT WAS AVAILABLE BASIS. THIS PROBLEM WAS COMPOUNDED BY THE FACT THAT SO MANY OF THE NEW TRIBES IN THE EAST RECEIVED RECOGNITION JUST PRIOR TO THE TIME THAT SERIOUS CUTBACKS IN FEDERAL SPENDING WERE INITIATED. AS A RESULT, EAO STARTED WITH A SUBSTANTIALLY INAPPROPRIATE ALLOCATION OF RESOURCES, WHICH HAS NEVER BEEN INCREASED AS PROMISED BECAUSE OF LIMITATIONS PLACED IN NEW FEDERAL DOLLARS. WHEN THIS IS COMPOUNDED BY MANDATORY CUTS SUCH AS THOSE IMPOSED BY GRAMM-RUDMAN THE SITUATION BECOMES CRITICAL TO DESPERATE. THE EASTERN AREA OFFICE HAS BECOME THE FORCE POINT OF ALL THESE PROBLEMS AS NEWLY RECOGNIZED TRIBES ARE COMPETING WITH TRIBES WHICH HAVE BEEN IN THE BIA FUNDING CYCLE FOR A SUBSTANTIAL PERIOD. ONE OF THE TRUE ACCOMPLISHMENTS AND I BELIEVE ONE OF THE TRUE CREDITS TO THE USET MEMBER TRIBES HAS BEEN THEIR ABILITY TO COME TOGETHER AND WORK FOR THE COMMON GOOD OF ALL EASTERN TRIBES AND AVOID BEING DRIVEN DOWN TO A LEVEL OF FIGHTING EACH OTHER OVER WHAT IS OBVIOUSLY AN INSUFFICIENT NUMBER OF DOLLARS.

BECAUSE THE BASE FUNDING OF THE EAO IS USED TO ALLOCATE ALL BIA DOLLARS THE EASTERN AREA TRIBES HAVE NOT ONLY LOST OUT IN THE REGULAR ALLOCATION OF ANNUALLY APPROPRIATED DOLLARS, EACH FY, BUT IT HAS ALSO NOT RECEIVED WHAT WE BELIEVE SHOULD HAVE BEEN FAIR TREATMENT UNDER THE SPECIFIC APPROPRIATIONS SUCH AS THE "GAS TAX" FUNDING OR THE "JOBS BILL" LEGISLATION A FEW YEARS AGO. IN SHORT, MR. CHAIRMAN, THE HIGHER YOU TRY TO BUILD ON A BAD FOUNDATION THE LARGER THE CHANCES OF COLLAPSE AND TAKING 4.3% OF 100 HURTS MUCH MORE THAN TAKING AWAY 4.3% OF A 1,000 WHILE WE HAVE USED THE BIA AS AN EXAMPLE, MANY SIMILAR PROBLEMS EXIST IN THE INDIAN HEALTH SERVICE.

THE USET TRIBES THEREFORE ASK THIS COMMITTEE TO HAVE GAO OR ANOTHER NEUTRAL APPROPRIATE AGENCY TAKE A HARD LOOK AT THE BUDGET PROBLEMS FACING THE EASTERN AREA OFFICE AND WORK DIRECTLY WITH THE EASTERN TRIBES TO PROPOSE VIABLE SOLUTIONS TO THEM. THE USET TRIBES CONTINUE TO CONTEND THAT A SUBSTANTIAL AMOUNT OF ADMINISTRATIVE WASTE EXISTS BOTH WITHIN THE BIA AND IHS WHICH IF CURTAILED CAN PROVIDE DOLLARS TO HELP OFFSET THESE NEEDED INCREASES IN FUNDING. THE USET TRIBES APPRECIATE THE FINANCIAL PROBLEMS FACING THIS COMMITTEE AND THIS CONGRESS BUT WE ALSO FEEL THAT NOW IS THE MOST CRITICAL TIME TO INVESTIGATE THE MANAGEMENT PROBLEMS OF THE BIA, IHS AND ALL FEDERAL AGENCIES AND TAKE ACTION TO CORRECT THEM AS DOING SO IS THE ONLY WAY TO SOLVE FINANCIAL PROBLEMS IN THE LONG RUN.

AS A USET EQUITY REPRESENTATIVE, I WAS MOST UPSET TO LEARN OF AN OMB POLICY STATEMENT WHICH SAYS THE FEDERAL AGENCIES ARE NOT TO USE PERSONNEL CUTS TO OFFSET GRAMM-RUDMAN REDUCTIONS. THE TRIBES I REPRESENT ARE VERY SOPHISTICATED MANAGERS, THEY HAVE HAD TO BE, ANY GOOD MANAGER WILL TELL YOU THAT TAKING ACTION TO MAINTAIN TOP LEVEL STAFF WHILE CUTTING SERVICE DELIVERY PERSONNEL AND THE TRIBES ARE FORCED TO CUT, MAKES NO BUSINESS SENSE. WE ARE NOT RECOMMENDING ARBITRARY LAY-OFFS OF FEDERAL PERSONNEL, BUT WE CANNOT SUPPORT OMB'S REFUSAL TO EVEN EVALUATE THIS POSSIBILITY.

A SECOND PROBLEM IS UNIQUE TO THE EASTERN TRIBES. TO THE CREDIT OF OUR MEMBER TRIBES, THE MAJORITY OF THEM HAVE CHOSEN TO "638" CONTRACT BOTH BIA AND IHS PROGRAMS IN LIEU OF HAVING THE BIA PROVIDE THESE SERVICES. AW A RESULT, PROBLEMS IN INDIRECT COSTS AND BUDGET SHORTFALLS HAVE SERIOUS RAMIFICATIONS IN THE EAST. FOR THE PAST FIVE YEARS, THE USET TRIBES HAVE BEEN REQUESTING THAT CONGRESS TAKE A SERIOUS LOOK AT THE OVERALL PROBLEMS OF INDIRECT COST. WE APPRECIATE THIS COMMITTEE'S ASSISTANCE IN ADDING ADDITIONAL MONIES TO HELP ELIMINATE SOME OF THE SHORTAGE FACED BY THE BIA. IHS, HOWEVER, PROVIDING AN INCREASED APPROPRIATION ADDRESSES ONLY PART OF THE PROBLEM. THE OTHER ASPECT OF THIS PROBLEM IS WITH THE SYSTEM ITSELF. FOR EXAMPLE, WE HAVE BEEN TOLD THAT THE DEPARTMENT OF HHS OPERATES FROM AN UNWRITTEN POLICY WHICH SAYS THAT "638" IS NOT A PROCURMENT LAW AND THE DEPARTMENT THEREFORE ONLY PAYS INDIRECT COST AS A KIND OF GIFT TO THE TRIBES. WE DO NOT AGREE WITH THIS POLICY AND WE QUITE FRANKLY RESENT THE DEPARTMENT'S UNWILLINGNESS

TO TRY TO UNDERSTAND THE PROBLEMS A TRIBE FACES WHEN IT ATTEMPTS TO RUN A CONTRACTED PROGRAM UNDER THE REQUIREMENTS IMPOSED BY AGENCY REGULATIONS. ON THE ONE HAND, WE ARE TOLD THE IMPORTANCE OF IMPROVING OUR ACCOUNTING AND MANAGEMENT SYSTEMS IF WE WISH TO CONTINUE CONTRACTING AND ON THE OTHER HAND WE ARE TOLD THAT THE DEPARTMENT HAS NO RESPONSIBILITY FOR PAYING A FAIR COST OF SUCH IMPROVEMENTS. UNLIKE PRIVATE CONTRACTORS, INDIAN TRIBES ARE NOT ALLOWED TO RUN FEDERAL PROGRAMS OR PERFORM FEDERAL PROJECTS FOR PROFIT, SO WE MUST THEREFORE ASK HOW THE GOVERNMENT EXPECTS US TO PAY THE COSTS OF THESE OPERATIONS UNTIL SUCH TIME AS THE TRIBES CAN DEVELOP A VIABLE ECONOMIC BASE. IT IS FRUSTRATING FOR THE DEPARTMENT OF HHS OFFICIALS WHO AGREE TO PAY CONTRACT HEALTH CARE PROVIDERS AND PRIVATE HMO'S A SUBSTANTIAL PROFIT FOR SERVICES PERFORMED ON THE DEPARTMENT'S BEHALF TO TURN AROUND AND ARGUE THAT IT IS NOT THEIR RESPONSIBILITY TO PAY INDIAN TRIBES A FAIR INDIRECT OVERHEAD COST ON THE PROGRAM THEY TOO RUN FOR THE FEDERAL GOVERNMENT. THE MAJORITY OF EASTERN AREA TRIBES DO NOT HAVE A BIA OR IHS AGENCY OFFICE ON OR NEAR THEIR RESERVATIONS, THEY INSTEAD CONTRACT DIRECTLY WITH NASHVILLE IHS AND EASTERN AREA BIA IN WASHINGTON. THIS PLACES THE REAL RESPONSIBILITIES AT THE LOCAL TRIBAL LEVEL.

THE BUDGETING AND APPROPRIATIONS SYSTEM NOW UTILIZED BY THE IHS AND THE BIA CREATES ITS OWN SET OF PROBLEMS. BY NOT DISTINGUISHING DIRECT SERVICE AND CONTRACT SUPPORT DOLLARS, AND BY PROVIDING AN INSUFFICIENT AOUNT OF MONEY IN EACH PROGRAM CATEGORY INDIAN TRIBES IN THE EAST ARE FORCED TO CHOOSE BETWEEN (1) FOR UNACCEPTABLE OPTIONS DIPPING INTO MONIES NEEDED FOR DIRECT SERVICES; TO PAY INDIRECT COSTS (2) SUPPORTING FEDERAL PROGRAMS SO MANAGEMENT OPERATIONS WITH LIMITED TRIBAL FUNDS WHICH SHOULD BE USED FOR ECONOMIC DEVELOPMENT AND INVESTMENT; (3) ELIMINATING MANAGEMENT IMPROVEMENTS WHICH HAVE BEEN YEARS IN THE MAKING; (4) STOP CONTRACTING AND ALLOW THE AGENCIES TO ATTEMPT TO RUN THE PROGRAMS FOR THEM. WE USE THE WORD "ATTEMPT" FOR A REASON. SHOULD ANY OF A NUMBER OF EASTERN AREA TRIBES DECIDE TO RETROCEED THEIR "638" CONTRACTS, THE FEDERAL GOVERNMENT WOULD DEFINITELY FACE A SUBSTANTIAL INCREASE IN THE COST OF PROVIDING THESE SERVICES AS THEY WOULD HAVE TO DEVELOP SOME TYPE OF AGENCY OFFICE OPERATION WHICH DOES NOT CURRENTLY EXIST OR THEY WOULD HAVE TO RETAIN A PRIVATE CONTRACTOR AND PAY HIM AN EVEN HIGHER AMOUNT THAN WE ARE SEEKING TO ACCOMPLISH THE SAME THING. THIS WOULD REQUIRE ADDITIONAL FEDERAL DOLLARS AND IF THOSE DOLLARS WERE NOT AVAILABLE, MONIES EXPENDED FOR SERVICES WOULD BECOME EVEN MORE LIMITED AS THE BIA AND IHS WOULD HAVE TO UNDERTAKE TO PAY FOR THE SAME THINGS THE TRIBES ARE CURRENTLY PERFORMING. THIS, MR. CHAIRMAN, IS A SERIOUS DILEMA WHICH MERITS SERIOUS ATTENTION. CORRECTION OF SOME OF THESE PROBLEMS MAY WELL REQUIRE CHANGES IN THE SELF-DETERMINATION ACT REGULATIONS OR IN THE LEGISLATION AND THE INDIRECT COST SYSTEM THEMSELVES AND WE ARE VERY PLEASED TO LEARN THAT BOTH THE HOUSE INTERIOR COMMITTEE AND THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS ARE PLANNING TO BEGIN SUCH INVESTIGATIONS. WE THEREFORE, ASK THAT THIS COMMITTEE WORK WITH THESE COMMITTEES TO ARRIVE AT A REAL SOLUTION TO THESE PROBLEMS WHICH IN TURN CAN BE USED TO REDIRECT FEDERAL DOLLARS FROM WASTE TO MEET HUMAN NEEDS.

Ms. MANOR. Yes, sir. If I can just summarize, I think the statement says it fairly quickly.

The Eastern Area Office has just taken off in responsibility over the course of the last ten years. Most of the new recognized tribes during that period have been in the East and the thing that has been most frustrating for those tribes and the other tribes we represent in the East is the fact the Bureau has no allocation system for determining what the budget should be.

A tribe like Penobscot, I am sure you are aware, had a major land claim and is continuing to purchase and exchange new lands. The Bureau has only allowed, for example, for two wildlife enforcement officers on that entire reservation despite that increase of multiple 100,000 acres.

It just leads to a problem. We don't know the answers. What we are asking this committee to do is to help us take a serious look at the equity problems in the Eastern Area Office as part of some of Mr. Swimmer's new proposals to adjust management within the Bureau.

I think the tribes in the East are only looking for a fair shake and the failure to obtain it has created numerous problems. You may have heard of law enforcement crisis at Kashada and some other things that have happened within the last 12 to 14 months.

We would just like the opportunity to work with this committee, find out what the true facts are, where we do stand within the equity system and we feel very confident we are going to or you are going to find there is a problem and we would like to work within the constraints that we all face in the budget to try to come up with an equitable solution to those problems as rapidly as possible before things get any worse.

Mr. DICKS. I think that is a very reasonable approach and the committee will certainly do its best to help. Again, I would emphasize, I think getting the members from the Northeast part of the country to understand these problems is really going to be fundamentally critical in getting the BIA to work out a more equitable arrangement on resources.

Ms. MANOR. One other final point. There is a staffing problem in the East. It is beginning to be corrected, however. For a long time, we had contract officers there who couldn't sign a contract because they were not certified. They did not have bonding and when you have the overwhelming majority of the tribes that they service under 638 that makes the process so cumbersome that it does not work and what we are concerned with is that there is a cost in every delay and that cost is now coming out of the tribal government's budget So we would also ask staffing be looked at and we thank you.

Mr. DICKS. Thank you very much for a good statement.

THURSDAY, MARCH 6, 1986.

BUREAU OF INDIAN AFFAIRS

WITNESSES

MIKE ALLEN, LAC DE FLAMBEAU
JULLIAN VALLIER
DEWY SCHELBERG
PATTY MANOR
JERRY ALLEN
GLEN SALFORD
TOM MAULSON

Mr. YATES [presiding]. Your statement may be made part of the record.

What is your problem?

Mr. MIKE ALLEN. Mr. Chairman, Jullian Vallier is our treasurer. Dewy Schelberg, Patty Manor is a council member, Jerry Allen, Glen Salford is our clinical administration and Tom Maulson.

Mr. YATES. Tell us what you want to do.

Mr. MIKE ALLEN. We would like to address four concerns in our testimony: Health care, natural resources, education and tribal courts.

Mr. YATES. All right.

Mr. MIKE ALLEN. First of all, our tribe would like to go on record on opposing IHS to restrict services to Indians who are one-forth breed or more Indian blood.

Secondly, the Public Law 94-437 has always been inadequately funded and Indian people still rank far above it in terms of most negative indicators of health.

I am going through quick.

Natural resources, in 1984, have tried to go to comprehensive hatchery development on fish management programs. The purpose of this was to expand the fish hatchery facilities of the tribe to help it stock ponds on the reservation and to gain a measurement of economic self-sufficiency being able to produce excess variety for the sale on the open market.

Education: I would like to say there are 403 Indians attending various institutes and an estimated 54 percent of these students will drop out of the educational system. The tribe's position is the Federal Government agencies take a critical look at Indian education needs and increase funding for Indian studies.

Higher education is on the upswing on the Indian reservation. A vast amount of individuals are taking a big step to enroll in an institution of higher learning.

As to our trial courts, in 1983 this was established. Some of the purposes that we have is, number one, to protect the tribe's children to establishment of child welfare code and tribal jurisdiction.

Number two, to protect the tribal natural resources, through the establishment of a conservation code concerning usufructuary activities of tribal members on and off reservation to provide a forum of determining a disputes involving the right to possess trust property, and particularly the right to reside on Indian low income housing located on trust land.

Number three, to enforce tribal ordinances governing environmental controls, housing standards, traffic, business operations, sale and possession of liquor and such others as may be later enacted.

We urge the subcommittee to support the adequate funding for Indian health, particularly in areas of 630 contracting, health clinics, CHS contracts care and alcohol system.

We urge you to support the fish hatchery program in 1987 as previously endorsed as part of a two-year program, and we also urge adequate funding for Indian education, especially higher education scholarships for Indian child welfare and tribal courts.

Mr. **Yates**. I think we have a few minutes that you can summarize. Who wants to summarize?

Mr. **Mike Allen**. I will start with Dewy Schelberg.

Mr. **Schelberg**. I am deputy administrator for natural resources for the tribe.

I think what we need to talk about here is, two years ago we came to the committee and requested a $300,000 appropriation for fisheries program. Since that time, we have taken administrative cutbacks. In effect, that has never once allowed us to certify $300,000 that we felt necessary to run the program.

In addition to the administrative cutbacks, we also have problems with 638 contracting whereby the contracting processes are so cumbersome that it takes a lot of administrative effort just to deal with the contracts.

The tribe currently has two professional managers and biologists on staff and numbers of technical people, and there is really no reason that the tribe cannot come up with its own 638 contract, go through the Bureau process and natural resource management program.

In fact, for our area, the tribe is far more qualified in natural resource management with its personnel than the Bureau people. So those are the two main concerns we have, and I will turn this over to Glen. He is going to talk a little bit about Indian Health Service.

Mr. **Salford**. Thank you, Dewy.

I would like to talk a little about fiscal year 1986. We are going to be negotiating at the end of this month. Our contract is for May 1st through the end of April of next year.

We currently have a budget of about $1,482,000 and we have been informed that the Indian Health Service has an estimated $1,400,000 for this new contract year. We put together what we considered a conservative budget with 4 percent salary increases and we added one position to that at about $20,000.

That comes out at about $1,570,000 so between the inflation and the cutback, we have had to talk with our health board and with our staff about the need to be ready to cut about $180,000 from what we think is a reasonable budget to continue running the programs.

Now, we are already at the point where we are utilizing third party pretty much as it is collected and so these cuts will not be cuts of fat, they will be cuts into the muscle and into the bone of the program, into services. We are not talking about cuts in fat, but we are talking about lives and suffering.

We have some factors that have tended to make our funding tight. The high birth rate with the need for OB, well child immunization programs and so forth is one type of factor. The low-income status with tribal average household incomes at about one third the State of Wisconsin average. All of these put pressure on the budget as well as the fact that we are a very highly utilized program.

For example, we have had in fiscal year 1985 16,285 ambulatory patient care visits which, per 1,000 population, makes a very high encounter rate. We have consistently been higher than the Wisconsin tribes' encounter rate. This means you know an extra pharmacist, this type of thing that tends to boost your cost and we wonder, is that being reflected enough in the funding level.

One of the questions we have is in terms of we look around and we see facilities, say, in patient facilities, for example, with high fixed costs and perhaps lower utilization and we ask ourselves, why are we going to have to be letting off several people here very soon, cutting back on services and so on, when we are a highly utilized facility?

We also ask and we can understand the need for staffing and so on, but there is a plan in the Dimiji office to increase their staff. The regional application for this, and you have a copy of this in your packet, Mr. Chairman, was for $522,000 of cost, 13 positions.

We would suggest that these types of plans might be called into question at a time when we are cutting back in highly utilized programs.

Mr. YATES. Okay. All right. Thank you very much. Thank you.

[The statement of Mr. Mike Allen follows:]

LAC DU FLABEAU CHIPPEWA TRIBES

Good afternoon, Mr. Chairman. I am Mike Allen, Chairman of the Lac du Flambeau Chippewa Tribe of Wisconin. With me today are Jerry Maulson, Vice-Chairman; Patty Manor, Council Member, Julie Valliere, Tribal Treasurer; Tom Moulson, Tribal Judge, Glenn Safford, Health Director and Dewey Schwalenberg, Fisheries Biologist.

We would like to address four areas of concern in our testimony today: health care, natural resources, education and tribal courts.

HEALTH CARE

First, our Tribe would like to go on record as opposing the Indian Health Services's proposal to restrict services to Indians who are one-fourth degree or more Indian blood. The fedearl government is supposed to interface with tribes on a government to government basis. Tribes as governments have the right to decide who their members are. Administrative termination of individual Indians through blood quantum criteria isn't much different than termination of a tribe. The treaties and trust run to the tribe and its members.

Second, P.L. 940437 has always been inadequately funded and Indian people still rank far above the national average in terms of most negative indicators of health. Starting from an inadequate funding base which has never kept up with inflation in a high inflation industry over the years, even stable funding results in a significant cut due to the rising costs. When you add the impact of the Administration's proposed cuts, you aren't talking improved health care, you're talking death and suffering plain and simple. There is not slush in Indian health care funding, static funding is already cutting into the bone. Lac du Flambeau has an unemployment rate of 63%. The average annual family income is about $7,000 on reservation compared with $21,491 for Wisconsin as a whole. These and other factors limit health care options and exacerbate many health problems. Many of our members do not have telephones or transportation. Our CHR program is critical to the health care of the people. Post neo-natal mortality rates per 1,000 live births is 15.6 versus 2.9 for the rest of Wisconsin. Alcoholism is a major problem and our records show that 10% of all pregnant women in 1983 used more than one ounce of absolute alcohol per day.

Our Health Center is a highly utilized service. We had 16,285 Ambulatory Patient Care Visits in FY 1985 and 42,000 units of direct service, as well as 1,600 units of contract health care. Our FY1985 budget of $1,482,000 was critically strained last year and our projected budget for FY 1986 is only $1,400,000. Staff are going without pay raises, medical supplies are inadequate and staff positions and services will have to be cut back.

While our already inadequate "638" funding is being cut back, the Bemidji Program Office of IHS plans to add $522,000 worth of new staff to its office. Materials documenting our critical health care needs appear in the apendices attached.

NATURAL RESOURCES

In 1984 the Tribe developed a comprehensive fish hatchery development and fishery management program. The purpose of the program was to expand the fish hatchery and rearing facilities of the tribe to enable it to stock fish in many of the 146 lakes on the reservation and to gain a measure of economic self-sufficiency by being able to produce excess fry and fingerling stock for sale on the open market. In order to accomplish this goal, the Tribe developed a three year plan which was contingent upon stable funding of $300,000 a year from the BIA for three years. The Tribes plan was endorsed and supported by the Department of Interior and by both this Subcommittee and the Senate Subcommittee. The $300,000 was appropriated in FY 1985 but due to an across the board Interior appropriations cut we only received $294,000. In FY 1986 the BIA only request $270,000. Congress at our request added $24,000 to this but because of Gramm-Rudman the amount only totals $281,358. Again in FY 1987, the BIA is only requesting $270,000. This amount coupled with the already reduced amounts in FY 1985 and 86 is far too little to meet established tribal goals and objectives as projected by us and supported by you and Interior back in 1984. The FY 1987 funds are sure to be reduced even futher via Gramm-Rudman reductions.

The P.O. 93-638 CONTRACTING PROCESS IS NOT BEING ADMINISTERED IN ACCORDANCE WITH FEDERAL MANDATES. The current status of the BIA contracting process puts UNQUALIFIED BIA EMPLOYEES in positions to develop CONTRACTS with professional TRIBAL PROGRAMS. These contracts lack professionalism by being EXCESSIVELY RESTRICTIVE, ADMINISTRATIVELY PROHIBITIVE, AND TECHNICALLY INADEQUATE. The TRIBAL MANAGERS working under these contracts spend excessive amounts of time maintaining unnecessary reports, arguing budget use of funds, and attempting to determine what schedule the BIA is operating under. The Lac du Flambeau Band has established the goal of SELF-SUFFICIENCY as its TOP PRIORITY. This goal requires a direct exchange of information between the TRIBE and TOP BIA GOVERNMENT levels with a rapid movement of funding in a consistent dependable manner. Funding must be provided on a technical basis to support work plans developed by the TRIBAL ORGANIZATION - NOT THE BUREAU OF INDIAN AFFAIRS, and the contracting process must place the burden of responsibility directly upon the TRIBAL ORGANIZATION.

EDUCATION

Currently the Lac du Flambeau Band of Lake Superior Chippewa Tribe has 432 Indian students attending various education institutes. It is estimated that 54% of these studients will drop out of the educational system. The Lac du Flambeau Tribe's position is that Federal Government/ Agencies take a critical look at Indian Education needs and increase funding for Indian students.

The Lac du Flambeau Tribe is currently receiving five educational programs through the Federal Educational System. Contracts and grants are written each year and someone from Central Office makes a decision on the amount the Tribe should get before consulting the Tribe, i.e., the Lac du Flambeau Tribe submitted their second year proposal (Alternative Education Title IV 1986-87). The amount of this proposal was $112,000.00. Central Office of the Department of Education informed the Tribe that they had to cut $35,000.000 out of this proposal. There was not reason to give for the cut. The Tribe objects strongly to this method of operation.

Higher Education is on an upswing on the Lac du Flambeau Reservation. A vast amount of individuals are taking the big step to enroll in an institution of higher learning. The average grant award given to Lac du Flambeau each year is $47,000.000 to award to eligible students. The maximum award given to each student is $1,8000.00 per year. This allows Lac du Flambeau to only fund approximately 26 students per year. With the rising costs of education, and low family income, most students receive the maximum award. Lac du Flabeau has a waiting list of 15 students per year waiting to receive Tribal funding (many are carry-overs from the previous year), an average of 20 students graduating from the local high school per year and an average of 70 inquiries per month from adults concerning their return to school. Many of the 26 students are continuing students so the program cannot let many new students in each year which have to be put on the waiting list. Many studnets are discouraged because funding isn't available. To many, it is a large step just to walk into the Education Coordinator's office. It is a shame that once this initial step is taken that financial help isn't readily available.

The Lac du Falbeau Tribe is trying to become self-sufficient and the first step is in educating our people. Only being able to provide financial assistance to 26 people for the furthering of their education is pitiful. This figure is without all the proposed budget cuts. It is a frightful feeling to imagine what will happen to the education of our people in the coming years.

TRIBAL COURTS

The Lac du Flambeau Tribal Court was established by the Tribe in 1983 in order to accomplish the following purposes:

1. To protect the Tribe's children, through the establishment of a child welfare code and tribal jurisdiction;
2. To protect the Tribe's natural resources, through the establishment of a conservation code governing the usufructuary activities of tribal members both on and off-reservation;
3. To provide a forum for the determination of disputes involving the right to possess trust property, in particular, the right to reside in Indian low-income housing located on trust land;
4. To enforce tribal ordinances governing environmental controls, housing standards, traffic, business operations, sale and possession of liquor, and such others as may be later enacted.

The Tribal Court was also established due to the Tribe's perception that the adjudication of disputes in State courts, under the jurisdictional provisions of P.L. 83-280 did not provide adequate recognition of Ojibway cultural values and tribal standards; in addition, state courts have no authority to enforce tribal law. This had to be done, if at all, by a tribal court.

The Tribe's commitment to its court is financial as well as verbal. At its inception, the Tribe placed on the "band" $50,000 to support the court. Those funds pay for the retained services of two (2) tribal judges, the services of a tribal prosecutor and tribal court clerk, and the support costs of the court.

Since its inception, the Tribal Court has made a significant difference in the lives of tribal members; it provides a convenient and comfortable forum for the determination of family disputes, including divorce, separation, and custody.

It provides a mechanism for the collection of unpaid rents due the Tribal Housing Authority and the eviction of tenants. It establishes a tribal forum for the determination of conservation violations--which are honored by Wisconsin Department of Natural Resources conservation wardens, who are empowered, and do, cite tribal violators into tribal court.

Perhaps most importantly, the tribal court carries out the purpose and mandate of the Indian Child Welfare Act by adjudication of children in need of protective services, termination of parental rights, paternity and adoption. These orders are not only honored by state courts, but also have served as the basis of interagency agreements with County Social Services and Wisconsin Social Services to provide services and funding for tribal court placements of children.

This structure is fragile because funding is so necessary to its continuation. A loss of a certain percentage of funds necessarily means a proportionate loss of services, either of a judge, prosecutor, or clerical staff.

The Lac du Flambeau Tribal Court may be a relatively new tribal institution, but its operation has shown to the tribal government and tribal members that it performs a function which cannot be duplicated by any other court. Its loss of funding would not be simply a loss of services; it would be a loss of tribal self-determination, for a tribe cannot make its own laws and be ruled by them if there exists no mechanism by which such rules can be enforced.

Attached, in the Appendix are charts indicating the number of cases filed with the tribal court in 1985 and thus far in 1986; the number and variety of them is indicated. Remember that the on-reservation population of the Lac du Flambeau Band is approximately 2,500 tribal members. The number of cases is very high in proportion to that number.

We urge this Subcommittee to support adequate funding for Indian Health, particularly in the areas of "638" contracted health clinics, CHR's contract care and alcoholism.

We urge you to support $300,000 for the fishery program in FY 1987 as previously endorsed as part of the three year program by Interior and Congress in 1984.

We also urge adequate funding for Indian education, especially educ ation, expecially higher education scholarships; for Indian child welfare and for tribal courts.

THURSDAY, MARCH 6, 1986.

ROSEBUD HOSPITAL

OUTSIDE WITNESS

ALEX LUNDERMAN, ROSEBUD SIOUX TRIBE

Mr. **YATES**. Rosebud Sioux: Alex Lunderman. You are here for the Rosebud Hospital. Sorry.

I thought we put the money in for Rosebud but apparently IHS isn't working with you, are they?

Mr. **LUNDERMAN**. IHS is, but BIA won't respond to us. We have received no response officially.

Mr. **YATES**. We will take a look at it, because I made a special point of it last year of making sure that the money was in there and that you were going to be moved along, but apparently this administration doesn't want to do it.

But we will see if we can club them into doing it.

Mr. **LUNDERMAN**. I have had my staff, Mr. Chairman and members of the committee, work on this paper that you have in front of you.

Mr. **YATES**. We will read it.

Mr. **LUNDERMAN**. For a couple of days there, they are back there and they don't want me to introduce them. They are sitting back there.

What I need to do is read, I guess, maybe three paragraphs.

Mr. **YATES**. No more, because you don't have time.

Mr. **LUNDERMAN**. What I am trying to do is help you and in turn help my people.

Mr. **YATES**. Believe me, it will. Go ahead.

Mr. **LUNDERMAN**. Good afternoon, members of the committee and Mr. Chairman. My name is Alex Lunderman, newly elected tribal chairman.

I will be in office four years and it would not be good for me to keep coming back every year like this because what is in front of you, it probably was presented last year.

Mr. **YATES**. We know the problem. You don't have to convince us.

Mr. **LUNDERMAN**. For me to say anything more beyond that, I feel that it is all in the paper.

Mr. **YATES**. That is right. It's gilding the lily.

Mr. **LUNDERMAN**. In conclusion, my staff is in a continuing process of developing proposals to identify the various activities, line items and costs, each of the major categories I have just identified and that is a matter of record. That information will be forthcoming to this committee.

So on behalf of the Rosebud Sioux Tribal Council and members, thank you for the opportunity to present to you our goals and dreams of our future.

I need to plug our Sinte Gleska College. Their testimony is part of this, their documents and also St. Francis Indian School which was here earlier. We do support them fully.

Mr. **YATES**. Good.

Mr. **LUNDERMAN**. Thank you for listening to me.

Mr. **Yates**. Very good administration.

Mr. **Lunderman**. Thank you.

[The statement of Mr. Lunderman follows:]

TESTIMONY OF THE ROSEBUD SIOUX TRIBE
PRESENTED BY
ALEX LUNDERMAN, PRESIDENT

Good Afternoon Mr. Chairman and Members of the Committee: My name is Alex Lunderman and I am the President of the Rosebud Sioux Tribe. On behalf of our Tribal Council and our Tribal membership, thank you for this opportunity to present testimony.

At the onset, I, on behalf of the Council, do voice support for the testimony of St. Francis School, which was presented to your earlier today; as well as the written testimony of Sinte Gleska College, which we have submitted on their behalf for the record. Both institutions are an integal and important part of our reservation. We have and will continue to support their efforts.

My statements now will focus on five (5) areas, all of which fit into the need for improving the quality of life on our reservation and to insuring a secure future. These five areas are: 1) our new hospital project; 2) water projects; 3) land acquisition; 4) economic development and 5) education.

THE ROSEBUD HOSPITAL PROJECT- After a recent delay by the Department of HHS of almost five months, work is progressing on the final design phase of our hospital. We now anticipate completion of the design on May 30th with an anticipated construction start by August 1st. There are still three major obstacles which must be overcome.

First, is the continuing disagreement over the size and scope of services to be provided in Rosebud. Because of the support of this committee , bill language was incorporated into the FY 1986 Continuing Resolution directing the Department of HHS to "plan, design, and construct a 35 bed facility." Immediately upon the signing on this bill by the President, the Tribe, on December 23, 1985, submitted to IHS a request for a "638" contract modification which would provide us the authority and funds to complete the design of the 10 additional beds for our facility. To date we have not received a response to our request, however, we understand that the Department intends to hold its ground at 25 beds.

The Department's decision is apparently based on a new analysis performed by IHS which indicates a need for 28 beds. The Tribe received word of this analysis only days ago. Our preliminary review of the calculations indicates that IHS has repeated its previous error by continuing to use inappropriate data, collected during years of high physician turnover and poor health care delivery. This problem was addressed by both Dr. Emery Johnson's 1985 report and the Office of Technology Assessment's report requested by this Committee. Both of these reports included a recommendation for 35 beds, which was the basis for this Committee's recommendation of the 35 bed language in the FY 1986 Continuing Resolution.

Another issue relative to scope of services is the inclusion of a surgical suite in our facility. The Tribe has always maintained that a surgery program is an absolute necessity in Rosebud, and has been consistently supported in this position by both the Rosebud Hospital Administrator and the Aberdeen Area Director of IHS.

Again, as a result of this Committee's action, IHS has been directed to investigate the overall methodology used to justify surgery at Rosebud. Although we have not been formally appraised of the IHS position regarding Rosebud surgery, we understand that they will recommend against our having surgical capability. We are trying to obtain from IHS statistics which would support this decision. We believe, without a doubt, we will be able to document the need for surgery and show that filling that need locally is the most effective solution medically and financially. The Tribe will have a position paper on surgery available shortly.

The second hurdle to jump before construction can begin is the award of a "638" contract for the Administration of the facility construction. The Tribe submitted a "638" Contract proposal on January 31st of this year. In that proposal, we requested a contract by March 18th. It appears our proposal is now lost somewhere in the system. On February 19, 1986 Dr. Terry Sloan, Director, Aberdeen Area Office wrote to Dr. Rhoades recommending approval of our proposal. Two days ago, we were told by Dr. Rhoades and his staff that they had not [illegible] our proposal and were not aware of the Aberdeen Area Office's recommendation for approval. It is of utmost importance that we have a contract in place well before the final construction documents are completed if we are to begin construction as scheduled.

The last item I would like to bring to your attention is our need for your continued support in the funding of our facility. The Administration has asked for recision of the money you appropriated in FY 1986. We are asking you not to grant that recision request. Furthermore, we are asking you to include additional appropriations of $8,582,607 for construction and equipping of the facility.

Our final issue relative to the hospital project is the staff quarters. Because our facility is scheduled to open in the fall of 1988, we must address the status of the quarters. Unfortunately, we are already at odds with the Department. The original planning, done by IHS, included a PSJD for quarters indicating a need for [illegible] units. We are now being told that need has dimished to 53 units. The justification for this decrease involves such things as arbitrary reductions by a gentleman here in Washington, D.C. who believes he can determine how many staff positions can be filled by current Rosebud residents, and how much rental property is available in nearby Kilgore, Nebraska, a Town of 76 people. I need say no more.

We are therefore asking for adequate monies to begin the design and construction of our staff quarters. We are not including a specific figure as IHS has failed to provide us with an estimate despite numerous requests.

WATER PROJECTS - The Rosebud Sioux Tribe is currently pursuing two water projects: The Rosebud Rural Water System, and the Little White River Dam Project.

The Rosebud Rural Water System will provide a safe, dependable water supply to northwestern parts of the reservation (Todd County) and the Southwestern Mellette County. Most of the users of this project will be tribal members, but non Indians within the project area will also benefit. Not only will this project alleviate the chronic water shortage for 150 homes and over 600 people in 6 of our reservation communities; it is also designed for agricultural use and will create new industrial and commercial opportunities and help to provide better development opportunities for the northern part of the reservation. So even though the immediate benefit from this project, when completed, is good clean water, there will also be residual benefits.

The first phase of this system is completed, at a cost of $1,402,000. Phase II costs are estimated at $4,800,000. Once complete, the system will have the capacity to serve 15 existing communities and serve as the basis for more future development which would benefit over 1,200 more Indian households or 6,000 individuals.

The Little White River Dam Project was initiated in 1980, and its intent is to construct a dam on the Little White River for Hydro-electric power, domestic and agricultural use, recreation and to help the recharging of the Oglala Aquiffer. A feasibility study (funded by the BIA) has provided the Tribe a summary of previous reservoir investigations, alternative dam sites, and preliminary analysis of potential project [illegible]. We need at least $600,000 to conduct further studies to include the development of surface and ground waters for hydropower, flood control, irrigation, fish and wildlife enhancement, recreation and other opportunities for this project to further the social and economic well-being of the Tribe.

This project, as well as the Rosebud Rural Water System, is linked to our overall intent to develop the economic base of our reservation.

LAND PURCHASE PROGRAM- Each year the Tribe loses land through sales to non-Indian people. In order to have a firm economic base now and hope of a secure future for our young people, we must stop this loss of land. The Tribe must be in a position to purchase land from its own tribal members. If not, in the not too distant future, we may still have reservation boundaries, but very little or no Indian land inside those boundaries. Without a firm land base, we lose any chance we have for economic development and we lose our unique ethnic identity-- neither of which we wish to ever lose.

We estimate a need for $6 million dollars to initiate a land acquisition program.

ECONOMIC DEVELOPMENT- Economic development is the answer to many problems we face on our reservation. The lack of it continues to increase our problems. As long as money is the main tool with which we alter or affect the lives of our tribal members, we must always seek ways for us to attain and maintain the factors which govern and control our economy and our lives.

We must insure that our land base does not deteriorate, in that it must remain under Indian control: we must be continuously aware of the scope and skills our labor force possesses [illegible]; we must insure that the various segments of the reservation community "reinvest" capital on the reservation; we must pursue agreements or joint ventures which will provide jobs and bring capital to the reservation; we must bring ourselves to a level of self-sufficiency which would preclude us from having to continually request assistance from the Federal Government; and we certainly must create and maintain an acceptable social and economic environment which would provide a secure future for our young people and insure the [illegible] for our heritage and culture.

To initiate a program to address these goals we need a minimum of $4 million in flexible money.

EDUCATION - The Tribal Education Committee is currently studying a tribal education code which we hope to enact and implement. Part of this implementation includes the development, staffing and operation of a tribal education department. We also will need to conduct feasibility studies, relative to our proposed code. develop tribally specific curriculum and staffing requirements and models. All to this is to be designed to enable us to have more influence over the education of our younger Tribal Members and insure their success in post high school studies. We estimate that an effort of this type will cost approximately $2 million.

IN CONCLUSION: My staff is in the continuous process of developing specific proposals to identify the various activities, line items, and costs for each of the major categories I have just identified. That information will be forthcoming to this Committee.

On behalf of the Rosebud Sioux Tribal Council and Members, thank you for the opportunity to present to you our goals and dreams for our future.

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

JEFF HAMBLIN, SAGE MEMORIAL HOSPITAL

Mr. **YATES**. Sage Memorial Hospital.

You have trouble with IHS, too?

Mr. **HAMBLIN**. A little bit.

Mr. **YATES**. Your statement may be part of the record.

Mr. **HAMBLIN**. Thank you.

Mr. **YATES**. What is your problem?

Mr. **HAMBLIN**. You are familiar with Sage Memorial so I won't go into that. We have had three rather successful years since we began coming and talking with the committee, and we appreciate the support and attribute a lot of our success to you.

Right now, in an effort to try to continue that success, we see some issues we would like you to consider and perhaps intervene on our behalf.

One is that the President's rescissional proposal seeks to eliminate funding for the CHR program. Our experience in the field with the CHRs is this would be a very disastrous thing.

They provided a great deal of care that simply is needed in a rural area and that I think contributes to the prevention and amelioration of illnesses that would just come back to cost us more later if we couldn't treat them up front.

Also, I am not sure if the committee is aware of this, it would eliminate emergency medical technician funding. We understand that is a part of that line item in the budget and that would have an immediate acute effect on emergency health care delivery. So we are really worried about that.

The next point is that we would like the committee to consider legislation that would give Native American owned and operated facilities some relief from some inane IHS regulations.

We have been told by the Indian Health Service they will begin enforcing a 90-minute one-way drive criteria to determine eligibility for contract care. This means that if a patient lives here, for example, Sage is here and IHS facility is here, the patient will have to drive by Sage, go another 40 miles up the road and go to an IHS facility. This is the first time we have been confronted with this. It has historically not been enforced.

I don't know how long it has been on the books, but I think it causes some severe problems for patients. It limits their choice.

It is going to be a block to development of other community efforts to try and provide health care and manage health care themselves and certainly is going to limit our future considerably.

We see some application for it maybe in urban areas where someone can go to other hospitals and skip the IHS facility, but we don't see it being applicable in the rural setting.

Mr. **YATES**. Okay.

Mr. **HAMBLIN**. We also seek the committee's help to encourage the IHS to explore some new ways of purchasing contract care.

We have looked at it and think an HMO model could be used to buy care rather than a fee-for-service DRG model that is in place right now. And that could be a positive benefit. We think the HMO model could have positive benefits for all. There seems to be little enthusiasm to look to new ways.

Consistent with that is a concern over the current methodology that the Indian Health Service is considering to disburse moneys to its own health service units. Some time ago, we came before the committee and said we would work with the committees in DRG if they reimbursed us.

As you know, the Government spent a great deal of money developing that and the IHS uses it to buy contract care, but they won't use it themselves as a way of disbursing funds and we don't see why they couldn't study that. If it is good enough for the rest of us, why isn't it good enough for them?

We would encourage you and the committee to challenge them to consider that methodology. It is something we can understand, we have had to work with. I think it is something everyone can understand.

Finally, and somewhat specifically, there are some management and administrative procedures the IHS is trying to implement or unable to implement that are causing some immediate problems with contract care. Sage is one, but we know we are not the only one.

The attempt to implement these procedures and these controls has caused us to suffer in accounts payable with IHS in excess of $500,000 with care we have already delivered. The check might bounce for my ticket coming down here.

I think it is a matter not that people are slow or unable to manage the problem, but it is there are either too many regulatory controls or there isn't the proper system to implement the controls quickly to get payments approved and out to people.

Perhaps some investigation by the committee could prompt some changes there.

Mr. **Yates**. We will take a look at it. Thank you very much.

Mr. **Hamblin**. Thank you, sir.

[The statement of Mr. Hamblin follows:]

NAVAJO NATION HEALTH FOUNDATION
SAGE MEMORIAL HOSPITAL
POST OFFICE BOX 457 / GANADO, ARIZONA 86505 / (602) 755-3411

TESTIMONY OF JEFFERY J. HAMBLEN
CHIEF EXECUTIVE OFFICER, NAVAJO NATION HEALTH FOUNDATION
SAGE MEMORIAL HOSPITAL
BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR

This is the fourth consecutive year that Sage Memorial Hospital has been privileged to present testimony to this Committee. We appreciate the consideration and support you have shown us and this opportunity to speak with you again.

Congressman, as you may recall, the Navajo Nation Health Foundation, Sage Memorial Hospital is a 45 bed private non-profit Native American community owned facility located in Ganado Arizona. We provide a range of primary services to a predominant Navajo population including inpatient, outpatient, dental, mental, ambulance, ER and community health nursing health care. In 1985, we delivered more than 36,000 outpatient services and 4,000 inpatient days of care. Our FY 85 financial statements showed revenue ahead of expenses for the third straight year.

As you know, Sage contracts with the IHS to provide care to eligible Native Americans and is paid for this in accord with the Medicare DRG system. Our medical and financial success would not have been possible without this Committee's support for adequate contract care funds to buy needed services.

We want to continue our success and ask the Committee to consider and address several issues which we feel, if neglected, hinder us .

CONTINUE FUNDING FOR THE COMMUNITY HEALTH REPRESENTATIVES PROGRAM: The President's recision proposal seeks to eliminate all funding for the CHR's. This would be a serious mistake. The CHR program provides valuable basis care to rural patients which helpts prevent many illnesses. Elimination of CHR funding would also eliminate Emergency Medical Technician funding with disasterous adverse consequences.

PROMOLGATE LEGISLATION WHICH WOULD GIVE NATIVE AMERICAN OWNED AND OPERATED HEALTH CARE FACILITIES RELIEF FROM INANE IHS REGULATIONS AND PROCEDURES: IHS has told Sage that it will begin enforcing the 90 minute ground transportation rule for contract care eligibility. This means the IHS will not pay Sage for care it delivers to Native Americans who live within a 90 minute, one way, drive of an IHS facility but chose to come to Sage for care. This regulation effectively closes the market place to any community based health care delivery effort. It blocks the future of existing facilitites and limits patient choice. It may have some application in urban areas but not on a large rural reservation. Please help change the situation by providing some preferral status for on reservation non IHS providers.

ENCOURAGE THE INDIAN HEALTH SERVICE TO EXPLORE NEW AND CREATIVE WAYS OF PURCHASING CARE: Sage Memorial Hospital believes the HMO model could be adopted to provide and pay for contract care with positive benefits for all. Committee support for the investigation and analysis of new approaches would help generate some enthusiam for change.

INVESTIGATE CURRENT IHS PROPOSALS FOR THE ALLOCATION OF APPROPRIATED FUNDS TO SERVICE AREAS: The IHS is considering a new complicated methodology to distribute funds to its service areas. We seriously question the relevance of this method to actual operations and fear that its implementation will adversly effect health care delivery.

Why must the IHS re-invent the wheel? It bases the purchase of contact care services on the Medicare DRG system. Why won't the IHS use this system to allocate its own funds?

The DRG systems considers diagnosis, severity, patient age, and geopgraphic location in determining reimbusement. The IHS could adapt ✓ it to dispense thier funds and we would all have a system we could understand. Challenge them.

REVIEW IHS MANAGEMENT AND ADMINISTRATIVE PROCEDURES

Sage has recently suffered a harmful show down in contract care payments. We do not find fault with these people. We find fault with the system which either does not provide the staff to comply with existing regulations or contains too many regulatory controls. Either way no contract care provider should have to carry an IHS accounts payable in excess of $500,000.

We would be pleased to provide the Committee with any additional information it would like. Again, thank you for this opportunity to testify.

THURSDAY, MARCH 6, 1986.

SCHOLARSHIPS

WITNESSES

ROBERT FRANK, CHAIRMAN OF THE WASHOE TRIBE OF NEVADA AND CALIFORNIA

ELAINE WALBROEK, MPH PROGRAM FOR AMERICAN INDIANS AND ALASKA NATIVES

DAVID McCOY, UNIVERSITY OF NORTH CAROLINA

Mr. **YATES**. Ms. Walbroek.

You are here for scholarships and we are sympathetic to you applying for scholarships.

Mr. **FRANK**. Mr. Chairman, my name is Robert Frank and I am the chairman of the Washoe Tribe of Nevada and California. I am appearing here today with Ms. Elaine Walbroek and would also like to introduce David McCoy, who is with the University of North Carolina.

Mr. **YATES**. That is a long way from the Washoe Tribe.

Mr. **FRANK**. We get all around. My purpose for being here today is to support, and the Washoe Tribe strongly supports, MPH program which has been in existence for several years.

The program currently is located at four universities: University of California at Berkeley, University of Hawaii, University of Oklahoma, and the University of North Carolina.

The request that we would present to the committee is the continued funding of the program and the amount of the request is $240,000.

I might point out that is the same sum that has been requested for the last three or four years.

At this time, I would like to ask Mrs. Walbroek to expand and explain more about the program.

Mr. **YATES**. All right. Mrs. Walbroek?

Ms. **WALBROEK**. Thank you. I am Elaine Walbroek and I am representing the four universities.

All four of the universities have a very close working relationship as evidenced by my testifying on behalf of the other three. This has been true for a number of years, five for the Universities of North Carolina and Hawaii, and some 14 years I have been working closely with the University of Oklahoma, which is the length of time that our master's public health degree program has been in existence.

The purpose has been to materially increase the number of Indians professionally trained available in the IHS and to the tribal needs.

Currently, there are some 45 Indian students in the public health graduate studies in the four schools for a total of some 277 graduates, including 18 other studies which we have advocated for, and financially supported seven other schools of public health, which is footnoted in the document that you have.

The statistics which you have before you are available through the, at least documented in December 1985 from the Census Bureau and they are very relevant because it shows the needs have not changed materially among the Indian people and certainly evidence the need for a continued professional training program.

Below the poverty level, the percentage which is not included in there that the blacks are 31 percent below the poverty line, Hispanics are 20.3 percent, the whites are 9.0 percent, but the Indian people are 41 percent, and excluding Oklahoma, which the figures are also separated, is 44 percent.

We have an increase in population of 85 percent from the 1970 census to the 1980 census, as you are well aware, 764,000 to 1,420,000 and I think the most interesting statement that we want to make out of these statistics is the U.S.A. as a whole, there is 12 percent over the age of 65 so that the population is at almost a block now rather than a pyramid but the Indian elderly are 6 percent of the population which is still in the family pyramid form.

Seventy-five percent of the U.S. deaths are over the age of 65 and over one third or 33 percent of the Indians who are over 65. The deaths occurring when you really should be immortal in the younger ages and for a variety of reasons, which you are very aware this is enormous implications for health care and for the services of IHS.

Then, in turn, the need for the Indian Health Service and the health programs of more and more of the tribes are taking over over Indian professionals to run these programs, because who can make services more acceptable and accessible than the Indian professional who is trained to provide these kinds of services?

We show that Indian Health Service is a major source of health care to this new census report of 74 percent. Medicare is 3 percent.

We all know about the isolation and so on. The new programs that have arisen during these four universities, University of California at Berkeley, we are developing financial aid packets and financial aid information and developing a continuing sister program in the school of social welfare.

The MSW master's in social welfare and community mental health program and one-third of our graduates have gone on for Indian Health Service and one third with other Indian organizations. For Hawaii, they are doing splendidly with working with two community colleges and in Plains to increase the GPA of potential applicants there with the idea that they have had excellent experience with enforcing or increasing or improving the GPA and make them potentials for graduate studies, and out of their 25 graduates, 14 are with Indian Health Service and seven have gone to work with tribes.

Of course, North Carolina has two new programs, one of which is a non-residential training program for a graduate degree, which is proposing to take 8 to 10 Native Americans. Providing a three-year period of time graduate masters in public health as professional is essential if you are going up the ladder or doing anything of significance with Indian Health Service or any other health program for that matter.

They are also developing an academic skills guide for use in the IHS power and manpower development and 29 of their graduates, nine are working for tribes and organizations and 14 are continuing their academic work but only three are with Indian Health

Service and that for reasons because many of their studies, about half, come from eastern tribes who have not been recognized.

Mr. **Yates**. We are going to have to break off. We know the value of the programs and we do have your statement showing, I am sure, the statistics you are quoting are in the statements, aren't they?

Ms. **Walbroek**. Yes, most of them I have given.

We are very happy to have had this oppourtunity.

One last thing I would like very much to support the American Indian scholarship program and I think it would be a disaster for all of us who have benefited.

Mr. **Yates**. The administration wants to get rid of it and we don't. We hope we can around Gramm-Rudman.

Thank you very much.

[The statement of Mr. Frank and Ms. Walbroek follows:]

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SCHOOL OF PUBLIC HEALTH
(415) 642-3228

EARL WARREN HALL
BERKELEY, CALIFORNIA 94720

TO: Congressman Sidney R. Yates, Chairman
Appropriation Sub-Committee on Interior and Related Agencies

WITNESSES: Robert Frank, Chairman, Washoe Tribe of Nevada

Elaine Walbroek, Director, MPH Program for American Indians and Alaska Natives, University of California, Berkeley

REPRESENTING: MPH Programs for American Indians/Alaska Natives at the:
School of Public Health, University of California, Berkeley
School of Public Health, University of Hawaii
School of Public Health, University of North Carolina
College of Public Health, University of Oklahoma

HEARING DATE: 3:10 P.M., March 6, 1986

FUNDING REQUEST: For Fiscal Year, 1987, $240,000 is requested for support of Master of Public Health Degree Programs for American Indians and Alaska Natives at the Schools and College of Public Health at the Universities of California, Berkeley; Hawaii, North Carolina, and Oklahoma. This is the same sum requested for FY 1984, 1985, and 1986.

PROGRAM JUSTIFICATION: On December 24, 1985, the Census Bureau released a report[1] based on a special questionnaire on Reservation Indians as part of the 1980 Census, making this the first comprehensive national survey on American Indians. Information was collected on income, poverty, employment, health care utilization, and housing from the 450,000 American Indians residing on Reservations. Major results from the survey include:

- In 1980, when 12% of all Americans lived below the poverty line, 42% of Reservation Indians did so. This is higher than 31% of Blacks and 20% of Hispanics.

-

Race	Median Family Income-1979
Reservation Indians (Outside Oklahoma)	$ 9,924
Reservation Indians (In Oklahoma)	$11,274
Blacks	$12,618
Hispanics	$14,711
Whites	$20,840

- Housing conditions are poor — 44% of households have no telephone, 53% no central heating, 10% are without electric lighting, 15% have no piped water, and 17% lack their own plumbing.

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[1] The Census Bureau's Report is entitled "American Indians, Eskimo and Aleuts on Identified Reservations and in the Historical Areas of Oklahoma (Excluding Urbanized Areas: Part I." Part II is expected by March 1986.

- One out of three Reservation Indians (33%) over the age of 16 was unemployed for at least 15 weeks.
- The population of American Indians on reservations is younger than the overall American population as a whole. Their median age is 20.8 years compared to 30 years for the American population as a whole.
- Reservation Indian families are large averaging 4.4 persons per family. One out of three families has at least one child under the age of six and two out of three have children under eighteen.

The picture that comes out shows still existing, deplorable conditions, implicit in which are extraordinary needs. There has been an 85% increase in the number of American Indians and Alaska Natives in the ten years between the 1970 and 1980 census. There are American Indians spread through all of the 50 states, and Eskimos and Aleuts primarily in Alaska. There is no other population in American society that is so disadvantaged.

The Report shows that Indian Health Service is the major source of health care for Reservation Indians (74%); some used tribal clinics (5%) and private care comprised 18%. Medicaid or medicare paid 3% of Indian health care.

Reservations and rural Indian communities are generally isolated areas where the geography, the climate, the vast distances, the lack of roads and nearby private or local health facilities make it difficult to provide health and other services. These factors make Indian Health Service essential and essential to IHS has been the training of Indian people as providers of these services. Who understands better the critical needs of Indian people, the cultural background, problems of acceptance of services than Indian health professionals? Who better will work in these isolated areas?

BACKGROUND: Representatives of the Indian programs in the four Schools of Public Health at the Universities of California, Berkeley, Hawaii, North Carolina and Oklahoma have been working together for over five years, and in the case of UC, Berkeley, and the University of Oklahoma for fourteen years. There has been meetings, telephone and written communication concerning program development, referral of Indian students, and shared experiences in terms of retention efforts and curricula. The strength of the ties is manifested in that one institution's program director represents all four institutions in speaking for program funding, and has done so on a continuing basis for the last five years.

Currently there are 45 American Indian/Alaska Native graduate students enrolled in MPH specialties such as: clinic and hospital administration, health planning, health education, biostatistics, epidemiology, occupational health, environmental management, biomedical laboratory science, gerontology, maternal and child health, alcoholism studies, and nutritional science.

These programs are designed to materially increase the number of American Indians and Alaska Natives in public health professions, for the purpose of meeting Indian Health Service and tribal health program needs. Currently there are 45 Indian students in public health graduate studies in the four Schools of Public Health. There has been a total of 277 graduates including 18 students at other Schools of

Public Health[2].

PROGRAM DESCRIPTIONS: University of California, Berkeley: In May, 1986 there will have been 126 graduates from the UC, Berkeley program, with four degrees pending; and 18 from eight other Schools of Public Health, students who were financially supported through the UCB Indian MPH Program. One third of the graduates work for IHS, another third work for Indian organizations. Out of those employed by IHS, there are two Area Directors and five Service Unit Directors, as well as 25 program chiefs or directors. One MPH graduate went on to Stanford Medical School and is now Medical Officer at Haskell Indian School. Nine students are continuing on with further graduate education.

The University has committed $42,000 in traineeships and tuitions for Indian students this year, along with support for a summer preparatory program and tutorials.

As a spinoff from the Indian MPH Program, there is now an Indian MSW Degree program in Social Work and Community Mental Health with a three week summer preparatory program offered as a cooperative effort between the MPH and MSW program. A Financial Assistance publication is in process which will be available in the Summer 1986. Special efforts are directed through routine communications with students that deal with financial aid sources available to applicants to the School of Public Health. The program has sponsored a University-wide American Indian Graduate Student Association which has sufficient numerical strength to secure funding from the UCB Associated Students of University of California (ASUC). Available to all the graduate students are the resources of the Student Learning Center which provides classes and tutorials in an array of subjects including research methodology, statistics, study guides, speed reading, etc.

University of Hawaii: The School of Public Health, University of Hawaii has drawn almost one-third of its 25 Native American graduates from Alaska and the northwest. Intensive recruitment efforts are ongoing particularly in South Dakota and Nebraska with visitation cycles planned to rotate through the various Service Units of Indian Health Service. Emphasis is on personal contact with careful pre-visit preparations.

Negotiation is underway with two Indian community colleges to set up an experimental program that will not only aid in general recruitment for health, but also to boost the grade point average of students whose work experience makes them prime candidates for an MPH degree. To date, out of the 25 graduates, 14 are currently working with IHS, seven with tribal programs. The retention rate has been high with only one student dropping out since the program's inception in 1979. There has been considerable commitment from the University in the form of traineeships, and special recognition of individual student needs.

Since the Schools started in 1962 (and prior to the program's initiation) over 50 graduates have become employees of IHS; however only two were American Indians. The special Indian focused program started in 1979 has stimulated employment by IHS of American Indians.

University of North Carolina: The University of North Carolina is the only school of public health on the Atlantic seaboard that has a program of encouragement of eastern Indians to graduate school in public health. The program has progressively expanded to now include the resources of the Non-residential Regional Program in the Department of Health Policy and Administration to train 8-10 qualified IHS Indian employees per year in a primarily off-campus program. The program makes part-time graduate degree study available to health practitioners who can continue as IHS employees while studying for their MPH degrees. Another project in the developmental stage is an academic skills guide for use by the IHS Office of Manpower Development for distribution to Indian students in fields of health. The administrative component and student support center continues to provide academic, professional career, and personal counseling and academic tutoring. There have been 45 American Indian students admitted with only five withdrawing for academic and/or personal reasons. Two have transferred respectively into the schools of medicine and dentistry. There have been 29 Masters of Public Health or Masters of Science in Public Health degrees and two doctoral students graduating this Spring.

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[2] These are Schools of Public Health at: UCLA, Minnesota, Texas, Washington, Loma Linda, Harvard and Tulane. The students are those advocated for and formerly supported by the University of California, Berkeley when program funds were available to UCB for direct student awards of tuitions/traineeships.

Of the 29 graduates, nine are working for Indian organizations, 14 are continuing on in further academic work, 14 are in non-tribally specific employment. Only three graduates are employed by IHS because 50% of the graduates are Eastern tribal members and have no employment preference because they are not Federally recognized, even though they are eligible for IHS 104 Scholarships and paid internships.

University of Oklahoma: There have been 66 graduates from the University of Oklahoma's College of Public Health, 34 of which are currently working with IHS and ten with tribes or other Indian organizations. A close relationship is maintained with IHS including the "Study-While-You-Work-Program" planned at the request of IHS. It allows an IHS employee to earn a MPH degree in three years while maintaining his/her present employment. A degree is earned through selected weekend classes, study assignments at home and concentrated periods of summer enrollment.

The program has sponsored the Native American Public Health Student Association which has enhanced student interaction and projects as well as Indian student identity within the College of Public Health, and an Indian Chapter in the University of Oklahoma's College of Public Health Alumni Association which will provide more organized assistance in recruiting, job referral, workshops and graduate student network benefits. In the developmental stage is a Study Guide, specific to Indian or other minorities which will be an integral part of current Indian student orientation. Available to the students is a study skills instructor available to students on a regular basis.

CONCLUSION: All four of these major Universities draw students from across the country, they also serve as regional centers with Hawaii getting a large portion of Alaskan and Northwest students; Berkeley serving western, northern and southwestern and northern plains students, Oklahoma drawing students from the central, midwest and southeast portions; and North Carolina serving the eastern seaboard. The same amount $240,000 is requested as has been in the past four years even though costs have escalated and programs at the respective institutions have expanded.

It would seem inefficient and uneconomical to stop the most significant programs which are responding to Indian health manpower demands, and at the same time meeting the legislative intent of the Indian Self-Determination Act, that Indian people be responsible for the direction of their own affairs.

Elaine Walbroek,MPH, Director
MPH Program for American Indains
Alaska Natives
University of California, Berkeley

John Caskin, Director
Special Educational Opportunities Prog.
University of Hawaii

William Small, M.S., Associate Dean
and Director
American Indian Recruitment Program
University of North Carolina

Mitchell Owens, Ph.D., Departmental
Chairman and Director
Health Professions Recruitment Program
for Native Americans
University of Oklahoma

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESSES

J. PATRICK PATENCIO, RIVERSIDE-SAN BERNADINO COUNTY INDIAN HEALTH

ADELAIDE PRESLEY

BARBARA KARSMER

BOB MARTIN

Mr. YATES. Indian Health Council.

Mr. PATENCIO. I have with me Mr. Robert Martin, who is the chairman of the Marin Indian Reservation. We are coming in with this thing jointly as we do every year to save a little bit of time, because we have similar programs and are responsible for servicing 25,000 Indians and 18 reservations in southern California.

Mr. YATES. Is this like your statement last year or is this a new statement? What are your new arguments?

Mr. PATENCIO. You have the statement there. What I would like to do is—

Mr. YATES. I am being called for a vote and I don't want to keep you waiting, so tell me quickly what it is.

Mr. PATENCIO. Let me hand it to Barbara.

Ms. KARSHMER. I will try to be quick.

Mr. YATES. I know about the rurals. What do you want to tell us about the others?

Ms. KARSHMER. We want to tell you first of all, we appreciate your efforts as they have been excellent in past years in attempting to keep the cuts from gorging the programs.

Mr. YATES. I am still for that.

Ms. KARSHMER. We wanted to speak very briefly about eligibility. The tribal programs such as these two are strongly opposed to the quarter, but requirements that IHS is considering proposing——

Mr. YATES. Do you think there should be no limit?

Ms. KARSHMER. May I say we are concerned that that may come in the back door as eligibility as addressed in an appropriations bill several years ago espouses, and we appreciate your vigilance on that issue.

I think that the tribes feel that if there has to be rational resources, they ought to determine who and what services would be provided, to whom the services would be provided and what services.

If there is insufficient funds to serve everyone, they should be able to set their priorities rather than having an arbitrary one-quarter blood figure that maybe doesn't meet their needs and is perhaps not legally rational and is a back door way of terminating Indians if nothing else can be said about it.

I think it is also not a practical classification because you have families where a parent may be a quarter and the child may be an eighth and those people would be without care and there aren't other resources available to them so that doesn't appear to be a good way to allocate resources.

We would also point out on this subject as a last point that membership in tribes, as I am sure you are well aware, is not a rational issue, but rather is a political issue as the Supreme Court held in Morton.

In regard to allocation of resources, that is a major concern as it has been for many years. At this point, we are advised that the Indian Health Service is talking about cutting its funding to the California tribal population by changing its allocation formulas and they are talking about taking $5 million away from the tribal and rural health programs based on new allocation formulas that are based on new credible data.

You are very well aware, Mr. Yates, that the California Indians didn't receive the level of care.

Mr. **Yates**. Very much aware.

Ms. **Karshmer**. Your equity fund that you participated in establishing was tremendously helpful. Programs now receive 30 percent of what they need to provide care to their eligible members. They have grown immensely.

For example, the Riverside-San Bernadino program had 62,000 visits in 1982, which was one of the early years of the equity fund. Now they have had last year, 139,000 patient visits. So they are expanding, they are building new facilities.

Every year, they are moving to reservations that they hadn't been able to serve in the past, but IHS is talking about taking away the money they have because they haven't yet reached 100 percent of their service population.

IHS told us the other day it takes five to seven years once your services are established, you have your funding and your facilities in place, to reach the population, yet they are not being given the chance.

Mr. **Yates**. We will ask IHS about that.

Ms. **Karshmer**. Also, just to point out, we did give your staff a copy of OTA testimony that verifies the fact there is simply not data in California to justify any kind of decisions on IHS's part. They don't count Indians the same way in California as they do elsewhere in the country.

The final issue, very quickly, is the issue of facilities. California still has not received a penny in facilities construction money.

As far as we know, none of the tribally operated health clinics have been evaluated for placement on the facilities priority list.

At this point, the facilities being utilized by the tribal programs are leased, which is certainly not a cost-effective way of operating a program. For example, Mr. Magee's program, Indian Health Council, has a building which he raised funds for for many years to build and it is ringed by trailers. The trailers are costing him $2,000 a month on leases. IHS will not approve the purchase of those trailers, which in the long-term would be certainly more effective than leasing.

Mr. **Yates**. We will ask them about that.

Ms. **Karshmer**. They are requesting you look into the problem and give them some assistance in that area.

We thank you.

Mr. YATES. Thank you very much.

Sorry, I have to go vote.

[The statement of Mr. Patencio follows:]

FY 87 TESTIMONY RE: INDIAN HEALTH SERVICE BUDGET

RIVERSIDE-SAN BERNARDINO COUNTY INDIAN HEALTH & INDIAN HEALTH COUNCIL

BEFORE THE APPROPRIATIONS COMMITTEE SUB-COMMITTEE ON INTERIOR AFFAIRS AND RELATED AGENCIES

Riverside-San Bernardino County Indian Health, Inc. (RSBCIH) and Indian Health Council, Inc. (IHC) are tribally-controlled, Indian operated health programs which provide services to more than 25,000 Indians on and near 19 reservations in rural/remote areas of Southern California. These programs are funded to provide ambulatory care through contracts under P.L. 93-638 with the Indian Health Service and take the place of Indian Health Service in their service areas. They are appearing before the Committee today represented by Dennis Magee, Program Administrator, IHC; Adelaide Presley, Executive Director, RSBCIH; and Barbara E. Karshmer, Attorney at Law with the following requests:

1. BUDGET RECISION AND PROPOSED FY87 BUDGET CUTS

We strongly urge the Committee members to oppose the budget recision proposed by OMB. This recision would, by taking away large amounts of money from the health services budget, drastically impair our ability to provide health care to the more than 25,000 Indians who are dependent upon us for such care. In addition, Congress made it clear in the Gramm-Rudman Act that it intended the cuts to the Indian Health budget to be not more than 1%. The proposed recision would be a cut of close to 10 times the permissible amount.

Similarly, the proposed budget cuts for FY 87 are, we believe, contrary to the intent of Congress and would have a disastrous effect on the provision of care. We would have to eliminate much of our direct services, and virtually all of our contract care services if the budget cuts were approved as proposed. We understand that this is a 4.5% cut for hospitals and clinics and an 18% cut for contract health care. This latter is especially important in areas such as ours where there are no IHS hospitals or facilities. Because of our limited funding we are able only to provide the most basic ambulatory care at our seven facilities. Any specialty care and all hospitalization must be purchased through contract health care funds. A cutback this severe would mean that we could provide none of the necessary hospitalization or specialty care for our 25,000 Indians. The inequities of the situation are obvious: in areas where IHS has facilities and hospitals, the hospitalization and specialty care may be provided with just a 4.5% cut. In areas such as California, the provision of hospitalization and specialty care, now minimally funded, will be entirely eliminated, thus leaving our patients without those vital services which are available elsewhere.

II. ALLOCATION OF FUNDS

We have been advised by IHS that it is planning to cut the funds it allocates for California Indians by more than $5 million this year. This is due, we are told, to the fact that IHS is changing its funding formulas and basing allocations on direct medical user population rather than census population. As the Committee is aware, the Indians of California have never received the same services from IHS as have Indians elsewhere in the country. This problem was addressed in the case of Rincon Band of Mission Indians v. Harris, 618 F.2d 568 (9th Cir. 1980) in which the U.S. Court of Appeals found that IHS' allocation formulas were irrational in regard to California Indians and further that IHS had a legal obligation to provide Indians in California with services equal to those provided Indians in other states. As a result of this decision, Congress established the Equity Fund to assist in narrowing the great disparities in funding. Based upon our receipt of Equity funds, we went from having virtually none of our needs met and negligible facilities to having roughly 30% of our needs met (or 70% unmet) in the case of RSBCIH and 38% met (or 72% unmet) in the case of IHC. In the last five years, our budgets have increased and so have our services and penetration of the population. For example, RSBCIH had the following increases in patient visits from 1982 to 1985:

1982	1983	1984	1985
62,696	95,705	118,168	139,235

Similarly IHC has increased its patient visits substantially over the years and had nearly 11,000 patient visits in 1985 in medical, dental, and public health nursing alone. These increases were due in large part to the increased funding available, and due to RSBCIH tripling the size of its original facility and establishing four new clinics (the most recent of which opened in December 1985) and an outreach office on distant reservations (all through leased facilities), and IHC establishing an additional clinic. However impressive the increases, we are still not reaching a substantial portion of our service population and are planning additional means to reach those unserved Indians. Moreover, it takes time for the Indian community to become aware of our services and to begin to trust our health care providers. Therefore, the penetration rate in the community will continue to rise, probably at the same or better rates than those to date. However, because we have not yet reached all the eligible Indians, due in large part to a lack of funds and facilities, the Indian Health Service wants to redistribute part of the money which we have received. If they are allowed to do so, a substantial portion of our population will never be served.

In regard to the allocation formula which IHS uses, we firmly believe that it is discriminatory toward California Indians. As noted above, IHS is attempting to justify its cuts in California by allocating funds based on direct care medical users. They do not count contract care medical users who make up a substantial portion of our population, especially in those areas where we have no direct care facilities or services available so utilize contract health services. Moreover, we are advised that IHS counts all visits (medical, dental, public health nursing, pharmacy, etc.) elsewhere in the country, not just visits to the medical doctor providing direct care in the facility. Since California is not on the IHS computer data system, no comparable figures are available, and we are being penalized for this lack of data. In addition, because our population received no services from IHS for several decades, we must treat complex and chronic health problems which were left untreated for many years and which were thus exacerbated. Also, the funds which we receive do not make allowances for the expenses which we incur which are not incurred by IHS. For example, we are not covered by the Federal Tort Claims Act and are required to carry malpractice insurance which is $45,000 for RSBCIH and $25,000 for IHC. In addition, we are not given a share of the inflationary increases given to IHS by Congress, are not provided training funds for our staff, are not provided with funds for administration, etc.

III. ELIGIBILITY FOR SERVICES

It is commonly known that IHS is preparing new regulations for eligibility which require that an individual be ¼ degree Indian blood if a tribal member and ½ degree if not. We strongly oppose this proposal and urge that the Committee direct IHS to cease its efforts in this regard. Membership in an Indian tribe is not a racial issue, but rather a political one according to the United State Supreme Court in the case of Morton v. Mancari. It is up to each tribe to determine its own membership. If IHS adopts this approach, it will in effect be terminating many Indians who are members of federally recognized tribes. The concept of limiting eligibility to persons with ¼ blood is, we believe, Constitutionally suspect as a racial classification. Moreover, its origins stem from early appropriation language on the BIA education programs which was specifically overturned and outlawed in P.L. 99-228 which became law on December 28, 1985. Thus, Congress has discarded the notion that blood quantum classification is reasonable and rational. Perhaps most convincing from a practical standpoint is that the Indian Health Service was established, at least in part, to serve Indians on reservations because there was no other care available to them in these locations. The fact that a person has 1/8 Indian blood as opposed to his next door neighbor who has ¼ Indian blood makes it no easier for him to obtain care from another source when living on the same reservation. In fact, there is no rational basis for such a distinction because the federal responsibility for providing health care to Indians extends to all Indians, not just those who have more than ¼ or ½ degree Indian blood.

IV. FACILITIES NEEDS

We are also appearing here today to request that funds be added to the IHS budget to expand our current ambulatory care facilities and operations and to accommodate our staffs, which were significantly expanded through Equity Funds. We are concerned that IHS has no plans to construct or assist with construction of facilities in California, all of which were originally constructed by the Indian people without assistance from IHS. As our staffing has increased, so have our space needs; but nothing has been done about them. We have been forced to lease mobile facilities; however it would be far more efficient and less costly if we were allowed to either construct or purchase facilities, rather than lease them.

Indian Health Council facilities needs are the following:

Request:	Facility Expansion:	$500,000
	Equipment:	$110,000

Our current 3,700 square foot facility on the Rincon Indian Reservation is the primary facility from which we serve the eight reservations and 5,726 Indians in rural northern San Diego County. The program also operates a satellite clinic on the Santa Ysabel Indian Reservation. A brief description of the program is attached hereto as Exhibit A

The main facility on the Rincon Indian Reservation is in severe need of expansion to accommodate our present staffing level. At present we are requesting funding to build and equip a 6,000 foot expansion of our Rincon facility. Although the IHS National Plan identified a need for $5.75 million for modernization of our health center, we believe that it presently is most sensible and realistic to merely expand our present facility by 6,000 square feet at the cost of $500,000 with attendant equipment costs of $110,000.

RSBCIH, described briefly in Exhibit B, has similar facilities needs and urges Congress to continue to address the needs of tribes for facilities.

IV. CONCLUSION

In conclusion, the Boards of Directors of RSBCIH and IHC urge this Committee to assist us in meeting the needs of the more than 25,000 Indians which we serve by providing funds in FY87 to continue and equip our existing ambulatory care facilities and to minimize the cutbacks to our programs. We also wish to urge the Committee to support the continuation of the CHR program and the Urban Indian Health Program, both of which are very important to improving the health of Indians. Finally, we urge that you provide assistance in resolving the problems that are arising due to resource allocation inequities and plans for changing eligibility.

Thank you for your thoughtful attention to and consideration of this matter which is so vital to improving the health of the Indian people we serve.

Dated:

Respectfully submitted,

*RIVERSIDE-SAN BERNARDINO COUNTY
INDIAN HEALTH, INC.
11555½ Potrero Rd., Banning, CA 92221
(714) 849-4761

By J. Patrick Patencio
J. PATRICK PATENCIO
Chairman of Board

*INDIAN HEALTH COUNCIL, INC.,
P.O. Box 406, Pauma Valley, CA 92061
(619) 749-1552

By Rose Hatfield (bk)
ROSE HATFIELD
Chairperson of Board

Exhibit A

INDIAN HEALTH COUNCIL, INC.

INDIAN HEALTH COUNCIL, INC. was incorporated in 1970 as a non-profit, Indian controlled program with primary responsibility for providing health care services to 8 Indian reservations in Northern San Diego County. The main health center is presently housed in a 3,700 square foot medical-dental outpatient facility, that was completed in 1976 after four years of local fund raising for construction and equipment. Contributions came from civic clubs, church groups, corporate donations, special fund raisers, individuals, small foundations, schools, and special benefits sponsored by the San Diego Chargers professional football team. The U.S. military, as well as local Indians, donated labor and much of the material was contributed to complete the fully equipped $300,000 health center. In addition, IHC has one (1) 3000 square ft. satellite facility providing health care in a more remote area of Northern San Diego County. An additional 3500 sq. ft. of space is provided by mobile units surrounding the present facility.

The program presently employs 1 full-time general practitioner, 3 nurses, 3 dentists and 2 hygienists. Specialty care is provided at the main clinic site by an Internist, OB/GYN, Pediatrician, and Podiatrist, 4 hrs. per week each.

Home health care is provided by a Public Health Nurse, Home Health Aides, and a Registered Dietitian. Counseling is provided by one licensed Marriage and Family Counselor and a social worker.

The program has a very limited amount of contract care funds for hospitalization, specialty care or any kind of in-patient care and Optometry.

Due to limited funds, geographic isolation and hazardous road conditions, the health centers were able to serve just a portion of the nearly 5,900 Indians residing in this service area which the U.S. Indian Health Service has determined as the target population. Utilizing a small fraction of the actual needed funding the program managed to serve about 40% of the people who are in desperate need of adequate health care.

Exhibit B

RIVERSIDE-SAN BERNARDINO COUNTY INDIAN HEALTH, INC.

RIVERSIDE-SAN BERNARDINO COUNTY INDIAN HEALTH, INC. was established in 1968 as a non-profit tribally controlled and managed comprehensive health program to serve the needs of the Indian population living on or near eleven Indian Reservations in rural Riverside and San Bernardino Counties, California. The program initially began with the Morongo and Soboba Reservations as one of nine demonstration health projects with modest funding provided by the California State Department of Health. Today the P.L. 93-638 organization is comprised of nine Reservations, is incorporated as a non-profit corporation and is principally financed by Indian Health Service.

The first clinic facility utilizing a volunteer dentist was located in an abandoned 15'x15' jailhouse constructed in 1917 at the Morongo Reservation. The Indian people were determined to meet the urgent health needs of the reservations and through community contributions for materials and by utilizing self-help, i.e., Indian men and women volunteers, the first 1200 square foot clinic building was built at the Morongo Reservation in 1971. Today Riverside-San Bernardino County Indian Health, Inc. has a combination of leased mobile and modular units at the Morongo Reservation; a leased 4700 square foot facility to serve the Soboba, Santa Rosa and Cahuilla Reservations; a portable 1440 square foot medical clinic serving the very remote Torres-Martinez Reservation and a 4700 square foot HUD financed facility which was completed in August 1984 on the San Manuel Reservation in San Bernardino County. A 1200 square foot HUD financed facility opened on the Pechanga Reservation in December 1985. The 1980 Census estimates the present Indian population of our 27,000 square mile service area to be 19,132. It should be noted that our two county service area encompasses the largest and fifth largest counties in the United States, respectively. The program during the past year has registered approximately 7,500 individual patients.

The original staff of two Licensed Vocational Nurses has grown to a present staff of approximately 130 persons, which includes professional staff of a pediatrician, internal medicine specialist; family practitioner; podiatrist; pharmacist; nurse practitioner; medical lab technologists; five dentists; two dental hygienist; two part-time optometrists; two licensed clinical social workers, marriage and family counselor; two health promotion specialists; five public health nurses; a nutritionist, a registered sanitarian and an array of support staff. The increased staff and services were due exclusively to the Equity Health Care appropriations.

The dramatic increase in direct services as a result of the Equity Health Care is demonstrated as follows:

	1981	1982	1983	1984	1985
Total Patient Visits	50,799	61,076	95,705	116,247	142,271

The above figures do not include 7,971 patient visits provided through out Contract Health Services program in 1985 and 38,154 medical lab tests performed.

BEST COPY AVAILABLE

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESSES

TIMM WILLIAMS AND MARIO GUTIERREZ, CALIFORNIA RURAL INDIAN HEALTH BOARD, INCORPORATED

Mr. **YATES.** The California Rural Indian Health Board.

We are glad to see you again. Your statement may be made a part of the record.

Tell us, you are being mistreated again still?

Mr. **WILLIAMS.** As always and it hasn't changed much from the first time I met you. Like many programs, we would like to express our appreciation for your efforts in keeping us intact all these years.

Mr. **YATES.** Tell us how we can be helpful.

Mr. **WILLIAMS.** I am the Chairman of the Rural Indian Health Board and Mario Gutierrez is the director of the program.

To save time, I would like to turn it over to Mario for the technical things we would like covered.

Mr. **GUTIERREZ.** As we know, this is part of the record and we have all the specific back-up documentation here. I would like to focus on two or three issues that you could be of specific assistance.

The first has to do with the Office of Technology Assessment study recently completed and which should be published by April in which a thorough study has been done of the Indian Health Service including resources allocation, utilization, budgeting, some major controversial issues that there has been a thorough study of in the past year.

I am concerned that the Indian Health Service is moving very quickly to implement policies that don't subscribe with what is being said in the report, particularly things such as resource allocation based on strictly utilization and other factors, actually looking at it too simplistically.

I request that before major changes are made, that your committee request that they look at that study and incorporate some of those recommendations.

The other important area for us in California is that we operate all of our facilities ourselves, build our own facilities, there are no IHS dollars, not only in facilities but other costs related to operating the programs.

I notice the IHS budget every year separate activities for facility construction and renovation, increases for cost of vehicle operation, yet as tribal programs we never come under those automatic categories and those automatic increases.

I suggest that in the formulation of the budget in the future, that tribal programs be looked at on the same equal basis for actual costs that are required for those mandatory cost increases that should be built into our contractual dollars.

Mr. **YATES.** Okay.

Mr. **GUTIERREZ.** I think the other issues that we are most concerned about, we will let the other programs that we work with cover them.

The most critical one for us coming up in the coming year is I notice we have the tribal operations money in the budget as a separate line item. That is critical to us. The $2.9 million is not enough.

I am concerned that the Indian Health Service is on one hand paying lip service that they support fully the implementation of the Indian Self-Determination Act while on the other hand they requested that the money be rescinded and that no future request be made for those resources. To us that is extremely critical.

Mr. Yates. Thank you very much.

[The statement of Mr. Gutierrez follows:]

CALIFORNIA RURAL INDIAN HEALTH BOARD, INC.
2020 Hurley Way, Suite 155, Sacramento, CA 95825, (916) 929-9761

PREPARED STATEMENT ON THE PROPOSED FISCAL YEAR 1987 BUDGET OF THE INDIAN HEALTH SERVICE

March 6, 1986

The California Rural Indian Health Board, (CRIHB), is one of the oldest and largest intertribal health organizations in the country, founded in 1969 as a means to bring back federal IHS resources to serve California's Native Indian People. Today, it maintains a tribal board of directors which include representatives from four of the largest independent tribal contractors in the state, as well as from the eight tribally operated service units funded through its own Indian Self-Determination contract. Collectively, the member CRIHB tribal health programs receive over $10 Million, or more than half of the IHS appropriation for clinical services in the California Area.

Before commenting on the proposed 1987 Budget request from the President, we would like to express our deep appreciation to the Congress for correctly recognizing the special status of Indian Health services through the creation of a special exempt category which protected the Agency's Clinical Services from the automatic deep cuts called for in the Gramm-Rudman Deficit Reduction Plan. While not exempting IHS completely from the cuts, through its action, Congress reiterated the mission of the Indian Health Care Improvement Act to fulfill its special and legal obligations to Indian people to elevate health status and provide"...all the resources necessary to effect that policy...". It is in this spirit we come before you today.

During the last twenty years, we have witnessed a bipartisan committment to improve and preserve the health of the nation's Indian people through landmark legislative initiatives and steady increases in the Indian Health Service appropriations. Since the passage of the Indian Health Care Improvement Act in 1977 for example, almost $1 Billion has been spent on services and facilities under the various titles of its authorization. Despite these efforts, the IHS allocation has remained stagnant since 1980 during the Reagan years when adjusted for inflation. However, as a result of greater accessibility to health care and improved counting techniques with the '80 U.S.Census, the nation's Indian population has more than doubled since 1972. After adjusting for inflation, the dollars per potential beneficiary is less today than in 1978.

With the veto of the Reauthorization of the Indian Health Care Improvement Act last year, and the proposed FY87 mark of $722 Million, this administration has established a clear and disturbing trend which threatens to set Indian Health Service back to the 1950's and the Era of Termination. Now, for the first time, this Administration has called for significant cuts in Clinical and Preventive Services.

Overall, the FY87 Mark represents an $85 Million or a 10.6% decrease in the current level of support. This, as I trust the members of this Committee understand is unacceptable and dangewrous to the healthof Indian people. Coupled with this callous attack on the IHS budget, the Administration has also proposed several initiatives which are consistent with the undeclared Reagan termination policies. The recent DHHS proposals to change the IHS eligibility requirements, re-allocation of resources among regions, and changes in medical priorities are other thinly veiled attempts to further roll back the Federal responsibility to health care for Indians-at the expense of the thousands who would be eliminated from access to care.

We strongly urge the Congress to require the administration to suspend such dangerous initiatives until the Office of Technology Assessment (OTA) completes its current study of Indian Health Care and submits its report to Congress this Spring. We have seen, almost without exception, that new initiatives and proposed policy changes by DHHS are out of touch and often contrary to the prevailing positions and recommendations from the national Indian community as expressed through such organizations as the National Indian Health Board, National Congress of American Indians, National Tribal Chairmans Assiciation, in addition to regional tribal consortiums such as CRIHB, and individual tribes and Indian community members. Perhaps this is due to the overbearing influence of HRSA on the Indian Health Service. Regardless of the reasons, no changes in the IHS methods for determining eligibility, allocating resources or otherwise restructuring the delivery system should be undertaken until a full review and analysis of the OTA study is completed by you, the members of Congress, the Indian community, and, hopefully, the Administration. The preliminary draft reports of this study (which was done with full tribal participation and consultation), indicate already that the problems of financing and organizing the IHS delivery suystem are quite complex. The OTA study should offer a number of alternatives for coping with these problems with full consideration given to the legal, historical as wellas economical factors.

SPECIFIC BUDGET ACTIVITIES AND THE IMPACT ON CALIFORNIA

Historically, the California Area has never fully and equitably participated in the eleven Budget Activity items which compose the Clinical and Preventive Services. Perhaps because all health services in California are provided through Indian Self-Determination (ISDA) or Buy Indian contracts without any IHS facilities or staff, the budgets for this Area must depend almost exclusively on the Hospital and Clinics funds for all costs associated with operating the health care system. This means, in addition to direct, ambulatory medical care, all dental, mental health, most contract care, maintenance and repair, facility leasing, as well as all administrative staff and all staff benefits are funded exclusively through the Hospital and Clinic Activity item in California. To make matters worse, where Direct IHS Operations automaticaly receive the mandatory, built-in increases each year, all of our tribally operated programs must absorb these costs in each subsequent year allocation.

We implore Congress to require the IHS to conduct a special study of the resource needs in California, and any other Areas where health services are provided wholly through ISDA contracts in tribally owned or leased facilities. We request that this Committee favorably consider a Supplemental Appropriation to correct this inequity based on the results of this study.

This request aside, the proposed FY87 Mark Up request from the Administration indicates a substantial cut in the Hospital and Clinics Activity of $20 Million to the FY86 Appropriation. This would be particularly devestating to California since, as mentioned earlier, we are completely dependent on this Activity for all health services

Tribal (indirect) Operations Costs

Another Area worth noting is a new sub-activity titled "tribal operations". We were very pleased to see that Congress recognized the problem created when a tribe or tribal organization assumes authority over its health care services it must absorb significant additional costs which the government provides for itself. These include such things as liability insurance (medical malpractice especially), management systems, annual CPA audits, facility leasing or construction where no IHS facilities exist, tribal health boards, vehicle purchase and operations, employee benefits and personnel recruitment just to name a few of the major cost items we face. Without additional resources, it becomes a dis-incentive for tribes to contract under the Indian Self-Determination Act. Although the $3 Million appropriated this year is not nearly enough to meet these needs across the country, it represents a beginning and, more importantly a committment to self-determination. We are frustrated and disturbed that this Administration has moved swiftly to eliminate this budget item in its latest recission request and in the FY87 Mark Up. It is difficult to believe or understand how the administration can continously express their committment to the Indian Self-Determination Act, while, at the same time, attempting to squash the first real initiative to help accomplish this goal.We estimate the resource needs in California alone to be in excess of $5 Million, since all services in this state are provided through ISDA contracts. We ask that the Committee to continue its support for this vital budget item through increasing the amount to a minimum of $10 Million in Fy 87.

Contract Care
We note with some alarm that the Administration has called for a substantial cut of $37.82 Million in the Contract Care budget for FY87. With the IHS becoming more dependent on the private sector to purchase inpatient and other specialty care ,and with the inflationary increases which continue in health care industry, this represents an extremely serious reduction in access to health care services by the nation's Indian people.

In California, a state which has no IHS facilities for inpatient, supportive lab and X-Ray services and other tertiary and specialty care, we receive a grand total of $525,000 or less than 3% of the total contract care budget. This represents an average of $7.00 per eligible Indian person in a state with the highest cost per hospital day in the country. Obviously any reduction in this area will further reduce our ability to adequately meet our patient care needs, especially now with the slashes to the state's MediCaid/MediCal program by the Deukmeijan Administration.

Community Health Representatives
We notice once again despite the strong, united support from tribes across the country and this Committee, that the Administration proposes the elimination of this wothwhile and vital program. Probably nowhere else in government is there a more cost beneficial program. The accomplishments of the CHR's have been documented and clearly demonstrate the benefits to both patient and provider. In Third World countries where access and cultural differences with Western style medicine exist, the community medical worker has proven to be a highly effective in the provision of needed care and folow-up. The administration and the HRSA/IHS know this, yet they continue to insult the integrity of these highly dedicated and valuable CHR's. It is important to note that this is the only class of employees within the IHS System which are almost exclusively Indian. Yet they are the most overworked and underpaid and constantly threatened in this system. We again request the Committee not to abandon the CHR's and in FY87 and provide sufficient funds for a much needed modest raise.

This concludes our testimony. We fully recognize that the Congress has an overwhelming responsibility to reduce the federal deficit and cut federal spending. We urge you not to sacrifice the nation's Indian people and our much needed health care services in the process. We request that the committee use the FY86 Appropriation (after sequestration) of $807,765 as a base to add on the built in mandatories and any other increases requested including the tribal operations and CHR support funds. Thank you for this opportunity to express our concerns.

H.D. Timm Williams	Mario Gutierrez
Chairman	Executive Director

BEST COPY AVAILABLE

Mr. **Williams**. I will be sitting with the next one, too.

Thursday, March 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

JEROME SIMONE, UNITED INDIAN HEALTH SERVICES

Mr. **Yates**. United Indian Health, Mr. Simone.

Mr. **Williams**. I chair the board of that local clinic in California.

Mr. **Yates**. What is the problem? Is it the same problem as Mario has?

Mr. **Simone**. We would like to dovetail with Mario. We are in support—being a California Rural Indian Health Board member clinic, their problems are ours as well and we support their testimony.

I would like to be more specific on some of the things that Mario just touched on.

In the administration proposal, there are a number of items that have to do with operating clinics. One would be the recommended elimination of the community health representative program. This is a relatively small funded program for $30 million and the proposal recommends eliminating that entirely from the budget. That is the cost of one Navy FA-8 jet fighter. It is not a big program but the elimination of it would mean a detriment to Indian health.

Mr. **Yates**. How are you going to get the Navy to agree?

Mr. **Simone**. I don't know. We can trade something in, some old cars maybe.

This program is really vital to Indian programs and I think you are already well aware of that so I don't need to go into that.

The preventive things they do; without them health care would lessen rather than stay the same.

The other major area I would like to get into is indirect tribal operation costs. As a 638 health contractor, we are not allowed to share in some of the benefits of operating a Government-operated Indian health facility. As mentioned earlier in the testimony, facilities maintenance and construction and management are some of the items.

Another major concern is we are not allowed to share in utilization of commissioned officer placement professionals in the Indian Health Service nor are we allowed to transfer our own physicians into the commissioned officer corps in order that they may enjoy the benefits and be retained at a clinic.

There is a side benefit. With increasing malpractice insurance costs we are not protected under the Federal Torts Claim Act. Commissioned officers are. At present, clinics are bordering on being put out of business because of increasing medical liability costs especially if you are performing OB services.

We have no option to discontinue these services and we must carry on in light of insurance going up to as high as $100,000 a year. We do not receive funds from the Indian Health Service to offset these operational costs.

There is a line item for travel operational costs which did not give us a substantial increase. We have asked that the Indian Health Service develop costs for California and ask the committee to consider a supplemental increase equaling that.

Everybody I know is asking for money these days, and we come before you—I don't feel too guilty about asking for increases in some of these items, especially in light of another department's, Defense's, request for astronomical sums of money to carry out SDI, for Navy jet fighters, even beyond that.

I know you are aware of that, too, so we don't feel our program is any less important in providing health care and I don't feel that our asking for an increase is any less consideration.

Thank you very much.

Mr. YATES. Thank you.

[The statement of Mr. Simone follows:]

UNITED INDIAN HEALTH SERVICES, INC.
TSURAI HEALTH CENTER
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STATEMENT
OF
UNITED INDIAN HEALTH SERVICES, INC.
TSURAI HEALTH CENTER
BEFORE THE
HOUSE APPROPRIATIONS SUBCOMMITTEE
ON THE
INTERIOR AND RELATED AGENCIES

- - - - - - - - - - - -

MARCH 8, 1988

MEMBERS OF THE COMMITTEE:

My name is H.D. Timm Williams and I come to you today as a Yurok Indian and the Chairman of the United Indian Health Services, Inc. Accompanying me today is Jerome J. Simone, our Executive Director. The United Indian Health Services, Inc. (UIHS) is a private, non-profit, tribally operated primary health care clinic which provides services to the American Indians of Humboldt and Del Norte Counties. This service population numbers nearly 6,000 and consists of Yuroks, Karuks, Tolowas, Weotts, and other tribes from the surrounding area, and contains eight federally recognized Rancherias. UIHS is a member of the California Rural Indian Health Board and is a PL 93-638 contract clinic.

On behalf of our Board, the Clinic, and our service population, we would like to take this opportunity to thank the committee not only for allowing us the opportunity to present our views, but for the Committee's continued support and the protection of Indian Health Care.

We ask that the Committee continue in this spirit in the upcoming months in order that we may not lose all that has been gained over the many years of struggle.

HISTORY AND BACKGROUND OF THE UNITED INDIAN HEALTH SERVICES:

UIHS was founded fifteen years ago by the Indian Peoples of our Community in order that the many Indians in the area could explore ways of finding access to much needed primary medical and dental care. It was soon realised that the only way this could be achieved was by the development of a direct service program. Local resources were either not capable or willing to meet this need. The promise of Medi-Cal (Medi-Caid) was only a myth which only gave providers a choice, which often did not include the Indian.

Thru these past years UIHS has grown to be a responsible, comprehensive Medical, Dental, Nutrition, and Community Health Service Program for the Indian Community. UIHS has over 15,000 medical encounters and 6,000 dental encounters per provider, povides medical care which includes complete obstetrical, perinatal services. UIHS physicians deliver over 100 infants a year and provide inpatient professional service. WIC gives service to over 1,000 participants, our Community Health Representatives make nearly home 12,000 contacts and provide transportation for 6,200 patients. UIHS provided care for nearly 3,300 medical clients in 1988 at a cost to the Indian Health Services of only about $350.00 a patient to make it one of the most cost efficient programs in the state. United Indian Health Services has virtually no contract care dollars and provides nearly all care as in-house direct care.

United Indian Health Services was practicing Indian Self-determination long before it became a law in the form of PL 93-638; which has, ironically, made it much more difficult.

CURRENT PROBLEMS, AND PRIORITIES:

A recent report from the American Public Health Association discloses a decline in health of American Children and infants, especially among the minorities, and the poor.. "Most Disturbing," the report goes on, is the finding that the death rates are rising for infants who survive the first month of life, reversing a post-World War II trend. The situation is no different in California, the health of children and mothers is on the decline as reported by the California Children's Lobby. At present the medical practitioners of one whole county in the UIHS service area are not accepting any new Medi-Cal patients for Obstetrical Care. In the neighboring county, viable alternatives are being reduced by a combination of reduced Medi-Cal benefits and rates which are coupled with increases in malpractice liability and other costs to create a negative incentive for the delivery of care.

Contrary to another popular myth about the recovering economy, the patient is slowly dying from the cure.

UIHS as a privately operated Tribal contractor often provides the only possible resource for health care to the Indian of our service area, but at the same time has not been immune to the current events in the health care economy. As a Tribal Contractor we have experienced reductions thru decreased payments from the Medi-Cal program and astronomical increases in our liability insurance which has the potential of reaching $190,000 by next year if there are any companies still willing to provide coverage. As a fixed budget Tribal contractor, we do not share in mandatory staff salary increases and must absorb them from already declining funds. We do not share in facility maintenance funds which require us to utilize direct service dollars to maintain our own facilities. We are not permitted to share in the pool of Commissioned Officers of the Indian Health Service or to convert our professionals to the commissioned corps in order that they might share in equal benefit packages as their counterparts in the government operated clinics. We must pay for our own audits which are required by the Indian Health Services from direct service dollars as well.

Thus is the myth of PL 93-638 and self-determination. We are told that as a "638" contractor we are "carrying out the duties of the federal government." But we are required to do so with literally with one hand tied behind our backs. A "638" contract requires us to follow the strict rules of the federal government without the sharing of the benefits they themselves enjoy. As stated earlier, being self-determined was often easier before PL 93-638. No less than one-fourth of our entire direct service budget is donated towards non-health care activities either because of federal rules or denial of certain government benefits.

SPECIFIC ISSUES AND NEEDS:

We come to you today with specific requests for your consideration in response to the administration's proposed budget which represents not only a serious decline in the federal policy towards Indian Health but more importantly a serious decline in the health of the American Indian. As discussed earlier, the National trend reported by the American Public Health Association is and will affect the Indian to a greater degree than the rest of society - as has always been the case.

The following discussion is addressed at individual line item activities currently being considered for reduction or elimination.

A. HOSPITALS AND CLINICS:

The administration proposal represents nearly a 10 percent decrease, which when coupled with soaring increases in costs to the Tribal contractor can actually mean up to a real reduction of almost 25 percent in direct services. Since the remaining funds must meet non-direct service costs as described above which are also for the most part fixed costs - the impact on health care programs will be devasting. We do not share other line items which means virtually all costs are in this category. For example, in Mental Health, the total UIHS appropriation for a population of nearly 6,000 is $10,000 or $1.67 per person.

We ask that this activity either experience no reduction or actually realizes a slight increase.

B. COMMUNITY HEALTH REPRESENTATIVES:

The Administration proposes the elimination of this program entirely. This action will effectively not only fail to reduce health care costs, but instead will substantially increase it. This program has had to prove over and over again it's value; by providing at home monitoring and early detection of disease coupled with programs in prevention, decreased costs in the way of acute clinical or hospital care can be realized. For the relatively small amount of funds involved nationwide for the CHR Program, less than 30 million dollars (roughly the cost of one Navy FA-18 Hornet jet fighter) it would represent the severest tragedy in Indian health care which has it's very roots in the development of its CHR Programs. So important is this activity, that with it's elimination tribal contractors would probally be forced to utilize more direct service dollars to maintain its services .

We ask that this vital activity be preserved at least at current levels and not be eliminated from the budget.

C. CONTRACT HEALTH CARE:

The question of Contract Health Care is almost foreign to United Indian Health Services. As a California Tribal clinic we virtually receive no funds from this line item, so unfortunately increases or decreases have little or no effect on us. What has affected us is the inability to provide often essential services not covered by Medicare or Medi-Cal. As the beneficiary packages of these programs, especially the latter, are seriously reduced every year, availability of services or eligibility of our population are seriously curtailed. Since private provider costs are increasing from other factors as well. The Administration's proposal of a $9.98 million increase is neglible.

We not only argue for the increase of nearly $10 million proposed by the Administation but ask for an additional increase to account for inflationary costs in health care and for the additional funds needed in California.

D. INDIRECT TRIBAL OPERATIONS COST:

United Indian Health Services receives no funds for indirect overhead and unlike the government our programs must use direct service dollars for Administration and overhead costs associated with the operation of our clinic. Again as a Tribal Contractor of the the Indian Health Service, we must divert vital funds for such purposes; for example; accounting, nearly 39% of our Administrative budget is for the collection of Third Party Funds; overhead costs, nearly $100,000 for Liability Insurance alone; Vehicle and Facilities maintenance, we must maintain 14 vehicles (some are government hand-me-downs from 1960) and 3 facilities with direct service dollars in the amount of almost another $100,000 a year. Being a fairly efficient clinic, we have managed to keep our Administrative overhead to 10 percent - well below acceptable averages - but it makes it extremely difficult to "manage" and respond to almost daily requests for data and other information in order to "be accountable to congress."

We ask that the Committee continue to pursue the effort by IHS to determine the tribal indirect overhead costs in California and further request a corresponding supplemental appropriation in this regard.

SUMMARY

We again thank the Committee for allowing our input today and express our appreciation for their continued support.

Acknowledging that we are living in a time which calls for fiscal restraint and responsibility we understand the difficult task before the committee. On the other hand given the administration's seemingly fiscal irresponsibility as to the astronomical requests for not only the defense department but for a single military project, the Strategic Defense Inititive, for which request for an increase of 2 billion dollars alone would be more than double the operation of the entire Indian Health Service, we feel no regret in asking for the funds to just barely maintain current services.

In summary or request to the committee are as follows:

1. Hospital and Clinics: we ask no reduction or a slight increase.
2. Community Health Representatives: No elimination.
3. Contract Health Care: Increase the above Administration proposal to offset inflation and other increases in health care costs as well as additional funds for distribution in California.
4. Tribal Operations: Pursuit of Indian Health Service's study of cost to Tribal Contractors in California as previously requested and a corresponding supplemental appropriation.

Finally, we do not feel that other priorities such as those of the SDI should be borne on the backs of the American Indian. What we are requesting can not even enhance the quality of life for the Indian, which is surely being reduced, but the very necessity of life itself.

Thank you.

Respectfully submitted

H.D. Timm Williams/g
H.D. Timm Williams
Chairman, UIHS Board of Directors

Jerome J Simone
Jerome J. Simone
Executive Director, UIHS

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

CHARLES DEEGAN, SUSANVILLE INDIAN RANCHERIA

Mr. **YATES**. Susanville Indian Rancheria: Mr. Deegan.

Your statement may go into the record, Mr. Deegan.

Do you have trouble with IHS?

Mr. **DEEGAN**. To some extent; I think everyone does.

The Rancheria has submitted a letter of intent and a resolution to be funded directly to manage their own health center. They were previously managed through CRIHB. They want to go direct.

I have a couple pieces of paper here not necessarily for the record, but possibly for staff information.

Mr. **YATES**. All right.

Mr. **DEEGAN**. It is their response to our request, and then we wrote a rebuttal.

Mr. **YATES**. I will let staff decide whether we want to put it in the record.

[COMMITTEE NOTE.—The information is being maintained in committee files.]

Mr. **DEEGAN**. I am Charles Deegan.

Mr. **YATES**. We know you.

Mr. **DEEGAN**. The reason I am here is for the Rancheria, and to capsulize what I want to say is the Rancheria at the present time is divided into two sections: an upper and a lower.

In the upper section, they pump water from the City of Susanville. The cost of pumping this water uphill is about $8,400 a year. That is not so bad in itself, but the fact is that about 60 percent of those 28 homes up there have incomes that are half of what we would call low income. So they have 50 percent of a poor man's income, so they are way down. And so paying this cost each month gets behind. Rancheria is called on to fill in. We have to find money to keep this water going uphill.

So we are requesting that you line item a well for the Rancheria. We called and got a bid that would be between $30,000 and $40,000 so we are asking that you line item $40,000 for Susanville to get a well. It would save a lot of problems.

The secondary problem Rancheria will be facing when they contract is what is called the end stage renal dialysis transportation program. Medicaid and medicare pay for the actual treatment on site. The Rancheria has to transport these people 85 miles away three times a week.

Mr. **YATES**. How many people are there?

Mr. **DEEGAN**. There were four when I came last February. I understand right now one is in the hospital. We are still hauling one and I know there is another coming into the program because of kidney failure.

Regardless of whether or not it is one or four, the cost remains fixed, so we are requesting that when we get our contract that Indian Health Service line item $24,000 a year special for transportation costs for the Rancheria. Otherwise, you debit regular patient care moneys set aside for the number of people you are serving. So we would like to have that $24,000.

This may be a nationwide problem. I have heard of other areas.

Mr. YATES. We will have to check it.

Mr. DEEGAN. It may be that Indian Health should address this.

Thirdly, realizing that no facility moneys are ever spent in California, the Susanville Indian Rancheria uses a building that is about 70 years old as a clinic. BIA bought the shell from them in 1970 for $2,400. They improved it and in 1974, it burned down. They rebuilt it with cardboards and second-grade lumber given from a merchant. Needless to say, the building is nowhere near standards. It is ancient and inadequate.

I would like to ask the committee that they consider line iteming $400,000 for a clinic for Susanville Indian Rancheria.

Mr. YATES. We will consider it.

Mr. DEEGAN. That is the capsulization of those three requests.

Mr. YATES. Thank you for your brevity.

[The statement of Mr. Deegan follows:]

Introduction

Chairman Yates and members of the Committee, Susanville Indian Rancheria Business Committee would like to thank you for this opportunity to testify before you today. My name is Charles Deegan, Jr., and I am the tribal administrator for Susanville Indian Rancheria. The rancheria consists of 150 acres and is located in Susanville, California. Actual number of Indians living on trust land is about 373 with another 450 Indians living in Susanville and the rest of Lassen County. The total service population for Susanville Indian Rancheria is approximately 825 Indians that reside in Lassen County. It is on behalf of those Indians of Lassen County that need and will use tribal health services that we are here and request the following assistance from the Department of Health and Human Services, Indian Health Service, House Appropriations Committee, Subcommittee on Interior and Related Agencies:

1. a water well for the Upper Rancheria - $40,000
2. a special End Stage Renal Dialysis Transportation Program fund - $24,000
3. a clinic building - $400,000.

Water Well

Tribal officials have met with Indian Health Service staff and requested assistance with no positive results.

At the present time, the Upper Rancheria pumps water from the City of Susanville at an inordinately high cost (average of $8,400 per year) which is borne by 28 residents. The water is pumped uphill. The lift is about 300 feet high. The problem is that 61% of those residents have an income which is less than half of the income you need to be poor. That is to say, they have half of the income that a poor man has. This information was taken from tribal Low Income Home Energy Assistance Program applications.

A second reason for the well is that the tribal officials are requesting a fluoridated water source. The City of Susanville water department states that they do not fluoridate and have no plans to do so. We called a local well drilling company, and they indicated that it would cost $30,000 to $40,000 to drill at that location. We are requesting that the Committee line item $40,000 for a water well for Susanville Indian Rancheria, Susanville, California.

End Stage Renal Dialysis Transportation Program

During the past year Susanville area had a patient load of one to four persons that require treatment (dialysis) three times a week. Treatment is obtained in Reno, Nevada, 85 miles one way. Three trips a week equals about 26,000 miles a year traveled plus the cost of one fulltime driver, coupled with rapid wear on a vehicle and maintenance. The cost to maintain an End Stage Renal Dialysis Transportation Program is $24,000 per year for the health clinic. Treatment costs are paid by Medi-Care.

We are requesting that Indian Health Service set aside from their budget $24,000 a year for Susanville Indian Rancheria over and above their base budget to cover this needed cost.

Clinic Building

Present building being used for clinical services was formally a school building built about 1920 in Litchfield, California. During 1970 the Bureau of Indian Affairs purchased the building at a cost of $2,400 to be moved and used for a clinic at the Susanville Indian Rancheria.

Fire all but totally destroyed the structure in 1974. However, resilient tribal members immediately began rebuilding using many of the charred boards as super-structure material.

A local lumber supply merchant settled an old outstanding claim owed to the tribe by providing $5,000 worth of second grade lumber and materials to rebuild the clinic. Local trade school students from Lassen College offered their expertise and labor. Under the circumstances, everyone did their utmost best and the clinic was rebuilt. By using partially burned lumber and second grade building materials, it would be to no one's surprise that the building is not up to minimum code standards.

At this time, the 70-year-old building still serves as the clinic building.

One of the reasons for this testimony is to request a clinic building for the rancheria. Needed space is 4,000 square feet at a cost of $90 to $105 per square foot. We are requesting that $400,000 be line-itemed for a clinic at Susanville Indian Rancheria located in Susanville, California.

Cost-Saving Recommendations

California Program Office (Indian Health Service) participates in an interesting administrative system. Administrative sequence is as follows:

(a) Indian Health Service Headquarters (Rockville, Maryland) is the first administrative step.

(b) Phoenix, Arizona, is a second administrative step which handles some duties for the California Program Office.

(c) California Program Office is the third administrative step.

(d) California Rural Indian Health Board, Inc. (CRIHB) is a fourth administrative step for a few tribes that use their consortium system.

(e) Tribes will have a fifth administrative office to deliver services onsite.

Each of the five administrative systems mentioned above require funds to operate; those costs are obtained from monies intended for health care of American Indians. Recommendation is that the Committee add language in the approprfation that limit the number of administrative offices be cut to no more than three:

(a) Indian Health Service Headquarters (Rockville, Maryland)

(b) Immediate area office where services are delivered.

(c) Tribal office where services are delivered.

There is a need for Indian Health Service-funded clinics to better understand rules and regulations of Medi-Caid and Medi-Care. From what I have observed is that some administrators and health boards think that these monies (collections) can be used for whatever they desire. Example: unlimited travel funds for any purpose, cost of living charges for various executive staff and lawyers fees to pay for taking Indians and tribes to court primarily for attempting control of tribal Indian health service areas. Indian Health Service needs to establish a close working relationship with the Medi-Caid/Medi-Care office to develop a monitoring system to best assure intended use of those funds. The questions is does Indian Health Service pay for those delivered services with someone else collecting the fees and using them inappropriately. The money collected should be used for patient care thereby decreasing the amount of needed Indian Health Service funds.

Thursday, March 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

WARD ANDERSON, TOIYABE INDIAN HEALTH PROJECT

Mr. Yates. The Toiyabe Indian Health Project, Mr. Saulque.

Mr. Anderson. Joe Saulque was sick and couldn't come.

Mr. Yates. You have a problem with IHS too?

Mr. Anderson. We are talking for seven tribes in the area. I did want you to know how they appreciate you. They are from the backwaters of California, but they hope you keep running for Congress. We really do appreciate it.

Mr. Yates. Maybe I will run out of the backwaters of California.

Mr. Anderson. I don't think we can elect you in our district.

I want to concur with the CRIHB testimony and also with our sister clinic, UHIS, in northern California.

We are working with the Indian Health Service on the commissioned officer problem Jerry Simone explained to you. It is a major problem. This year we have three clinics and we have four doctors in OB. There are only two malpractice companies in California that will write malpractice insurance for OB clinics.

California quoted $120,000 a year. I think you know these things, but I have to say them.

We know that this is tort reform in California. We are working on our California legislators too, but we want you to be aware of it.

Since we concur with most of their testimony and support it, the tribes in the area want to make some comments on the Bureau of Indian Affairs.

As you know, Indian child welfare was a critical law; it was passed, not a line item in the budget. We don't get direct services for the tribes in terms of general assistance, foster care, et cetera. We have discretionary money in the budget.

The BIA, I confirmed this yesterday, is going to take all the Gramm-Rudman cuts out of the Indian child welfare program, 55 percent. Their argument is to protect general direct services to the states.

I have some sympathy for that, but we don't have anything else to do that and we have to do those programs.

Mr. Yates. We will try.

Mr. Anderson. We see it a little bit as protecting Federal jobs versus states like ours, East-Northeast, et cetera.

Mr. Yates. That, I think, is incredibly unsympathetic and we will take a look at that.

Mr. Anderson. We appreciate that.

The tribes in our area had a very heated meeting last week and they would actually recommend limiting area offices, closing agencies as opposed to taking these kinds of cuts. Their model would be similar to the national service corps model, where you would have regional TA contracts let and then people would pool those, and if a tribe needed a survey, they would tie into the pool and get the technical assistance they needed.

We think that might be a viable model if those offices are eliminated. Congressman, you might want to consider that as a possibility.

Mr. YATES. All right. We will.

Mr. ANDERSON. That is all I have to say.

Mr. YATES. Thank you very much.

[The statement of Mr. Anderson follows:]

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BENTON, CA

BIG PINE BAND OF PAIUTE
SHOSHONE INDIANS
BIG PINE, CA

BISHOP PAIUTE RESERVATION
BISHOP, CA

BRIDGEPORT INDIAN RESERVATION
BRIDGEPORT, CA

ANTELOPE VALLEY IND. COMMUNITY
COLEVILLE, CA

TIMBISHA SHOSHONE TRIBE
DEATH VALLEY, CA

FT. INDEPENDENCE IND. RESERVATION
INDEPENDENCE, CA

LONE PINE BAND OF THE OWENS
VALLEY PAIUTE-SHOSHONE INDIANS
LONE PINE, CA

MONO LAKE INDIAN COMMUNITY
LEE VINING, CA

BISHOP CLINIC
P. O. BOX 1296
BISHOP, CA 93514
(619) 873-8461

LONE PINE CLINIC
P. O. BOX 185
LONE PINE, CA 93545
(619) 876-4795

CAMP ANTELOPE CLINIC
P. O. BOX 76
COLEVILLE, CA 96107
(916) 495-2151

February 25, 1986

Honorable Sidney R. Yates, III, Chairman
Subcommittee on Interior
House Committee on Appropriations
B-308 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Yates:

RE: CONGRESSIONAL TESTIMONY - MARCH 6, 1986
INDIAN HEALTH SERVICE/TOIYABE INDIAN HEALTH
PROJECT, BISHOP, CALIFORNIA, A COALITION OF
SEVEN TRIBES

ELIGIBILITY OF INDIANS FOR INDIAN HEALTH SERVICE

We are opposed to the administration's rule-making efforts that would limit Indian eligibility for Indian Health Service benefits to one-quarter bloods and only federally recognized Indians. This proposed rule will eliminate thousands of California Indians who, due to no fault of their own, were never allocated reservation land and may not be able to prove one-quarter blood quantum. We ask that, in California, determination of eligibility for Indian Health Service be the documented judgment rolls.

INDIAN HEALTH SERVICE FUNDING REDISTRIBUTION PLAN FROM AREA TO AREA

We are opposed to the proposed IHS redistribution plan of resources based on current Indian user counts and health services utilization rates.

1. Such a plan would look only at hospital and clinics money, excluding maintenance and repair, insurance (which IHS doesn't need) and administration costs. Toiyabe and other PL 93-638 contractors must assume all such costs from hospital and clinic funds.

2. No contract health care funds or IHS hospitals in California. Such a redistribution would be highly unfair to California and other areas where tribes run their own health programs. As Medicaid and Medicare are continually stripped of their funding, poor Indians in states without IHS facilities become more and more exposed to reduced or eliminated health services. 1980 U.S. census documents 201,000 Native Americans in California.

FEDERAL TORT COVERAGE FOR TRIBAL PHYSICIANS

Since under PL 93-638, tribes are contracting to provide a federal responsibility, physicians and other health providers should be protected by federal law. Indian tribes are forced to reduce health services to their people to pay skyrocking malpractice and other forms of insurance. Only two firms in California are writing obstetrics malpractice insurance for outpatient clinics. Fremont Company offered $128,590 per year with mandatory tail coverage, and Doctor's of Northern California was $38,434 without a tail and escalating to $61,736 after four years. Tail coverage would be 180% of the last annual premium or $111,125 if cancelled after four years. Those high premiums would cover only the following: Toiyabe's three clinics with four full-time physicians.

PROBLEMS WITH PL 93-638 IHS CONTRACTS

- No operations and maintenance funds, money has to be taken from hospitals and clinics.

- No funds for malpractice insurance, facility insurance, etc.

- Extra staff for insurance billing, 2 at the Bishop clinic, 1 at Camp Antelope Clinic and 1 at the Lone Pine Clinic. Four extra administrative staff, out of a total of 13 which equals 30% of the total administrative staff for billing.

- Lack of automation of business and collection services: Although IHS is widely computerized, the tribal contractors have repeatedly denied computers or forced to accept outdated and cumbersome hardware and software.

REQUEST SUPPLEMENTAL APPROPRIATIONS FOR PL 93-638 CONTRACTORS

Tribes seeking to self-determine and improve the health services of their people have been denied the same administrative costs that were afforded the IHS services that they contracted to run. IHS must be forced to contract a portion of the administrative overhead or a supplemental appropriation must be made to prevent the PL 93-638 law from becoming almost meaningless.

PROTECT INDIAN HEALTH SERVICES AT 1% MAXIMUM REDUCTION A YEAR

Maintain the agreements in the Gramm-Rudman law which held that Indian Health Service be protected at 1% maximum reductions per year.

INDIAN HEALTH SERVICES RECOMMENDED CUTS

We request that if cuts are legislated that IHS administration be reduced to save direct health services. Some area offices could be eliminated entirely, and all area offices could be significantly reduced in size, not to speak of the bloated IHS headquarters in Rockville, Maryland.

BUREAU OF INDIAN AFFAIRS:

PROTEST BIA DECISION TO TAKE ALL GRAMM-RUDMAN CUTS FROM INDIAN CHILD WELFARE PROGRAM

We have been informed by BIA Headquarters that all proposed BIA/Social Service cuts will be taken from the Indian Child Welfare Program, which is a BIA budget discretional program. California has no direct BIA programs for social services and must use Indian Child Welfare funds for counseling, recruiting and training people for foster homes, court assistance for Indian children, and advocacy to obtain often unavailable California services.

BIA, typical of federal bureaucracy, is out to protect their own staff at the expense of tribal contractors.

We ask that:

1. If cuts must be made, they be made equally across the board and not penalize tribal contractors and Indians in areas where services are contracted out.
2. That all BIA area offices be eliminated before any BIA direct or contracted services be reduced.

ELIMINATE ALL BIA AREA OFFICES

Most tribal programs and services to tribes have dwindled or not kept up with tribe's technical needs. All area offices could be closed and a national contract with a competent firm be let for technical assistance to tribes.

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

RAY HERRERA, PI-MA-PA INDIAN HEALTH CONSORTIUM

Mr. YATES. Pi-Ma-Pa. Mr. Herrera, your statement may go into the record.

You have problems with IHS?

Mr. HERRERA. Yes.

Thank you for the opportunity. I am sure that what I am saying will be redundant of previous testimony, so, therefore, I will limit myself to two comments.

One is that it might be concluded that rural health care delivery systems are costly. However, when one reflects back to the early days of the "old country doctor" who drove his horse and buggy over hill and dale to treat the sick and dying, one should be able to immediately recognize that care provided in that day was inadequate, and the system native Indian people in the Pi-Ma-Pa service area are dependent upon is inadequate today.

The other thing I would like to focus on is simply that Pi-Ma-Pa contracts with physicians, dentists, pharmacies, hospitals as well as other ancillary services is needed. Pi-Ma-Pa travels many thousands of miles in serving Indian people and we buy gas, oil and other maintenance services from local business people, and given the system whereby health stations are located in three district areas, we are impacting the economic picture of small businesses in our service area.

We think this impacts the small business community, and know the administration is very sensitive to the private sector and business in general, and we urge in consideration for cuts that we also consider what impact that may have on the small business community.

We have approximately a million dollar budget when all our resources are combined. The multiplier effect in the economic picture dictates that seven times that dollar turns over, so that is a rather sizable impact on the community. We urge you to consider that.

Mr. YATES. We will. Thank you.

[The statement of Mr. Herrera follows:]

TESTIMONY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES

Presented by

Ray Herrera, Executive Director
Pi-Ma-Pa Indian Health Consortium

March 6, 1986

PI-MA-PA INDIAN HEALTH CONSORTIUM
745 Joaquin Street
Susanville, CA 96130
(916) 257-6912

Mr. Chairman and honorable members of the subcommittee:

It is a pleasure and indeed an honor to be here today to offer testimony regarding the significance of continued funding levels for our Organization specifically and Indian health in general. We are a Health Consortium funded by Indian Health Service under Public Law 93-638 in the amount of $760,000.

I am the Administrator of a P.L. 93-638 (Indian Self-Determination Act) Tribal Health Contract which serves three (3) tribes in Northeastern California. The tribes represent the Pit River nation, the Paiute and the Maidu people living in Eastern Shasta, Lassen and Modoc counties.

The three (3) distinct tribes have joined together in the formation of a Consortium in order to more fully maximize the health care dollars received through the 93-638 funding mechanism as administered by Indian Health Service.

Pi-Ma-Pa Indian Health Consortium employees 21 people at health stations located in each area.

The Consortium provides direct medical and dental care, home health care through C.H.R.'s, transportation and contract health care.

What we are providing with the exception of contract health care is generally basic primary care. In fact, so basic, direct medical care is provided by a Physician Assistant who works in the Pit River Tribal Health building three (3) days a week and travels to the other two (2) areas one (1) day each week. The Consortium has a contract with a local physician group which oversees the Physician Assistant and provide eight (8) hours of care plus after hour emergency care as required. This system does not provide adequate levels of care for the service population. There are many problems inherent in our health care system. In order to more fully appreciate the problems encountered one must consider rural health issues such as transportation, road conditions, distances to medical services and social/economic factors which impact Indian people in our area. It is widely known that Indian people have a very high rate of unemployment. This situation results in problems not only related to health but transportation problems. It is not uncommon for Indian families not to have an automobile.

It then is the responsibility of Pi-Ma-Pa to provide transportation to meet these health care needs. It is not uncommon to travel as much as 200 miles one way to see a medical specialist for health problems such as OB/GYN, Pediatrics, Diabetes, Hypertension or Cardiac care for example. It may be concluded that rural health care delivery systems are costly. However, when one reflects back to the early day of the "old country doc" who drove his horse and buggy over "hill and dale" to treat the sick and dying, one should be able to immediately recognize that care provided in that day was inadequate and the system Native American Indian people in the Pi-Ma-Pa service area are dependent on is inadequate today.

I would like to shift the focus of this testimony to another arena, that of the business community. Consider if you will the economic impact Pi-Ma-Pa has in its service area. When Indian Health Service dollars are combined with other available resources,Pi-Ma-Pa administers almost one (1) million dollars. As previously mentioned, Pi-Ma-Pa employees 21 people or 21 families.

Pi-Ma-Pa contracts with Physicians, Dentists, Pharmacies, Hospitals, as well as other ancillary services as needed. Pi-Ma-Pa travels many thousands of miles in serving Indian people. We buy lots of gas, oil and other maintenance services from local business people and given the system whereby the health stations are located in three (3) distinct areas, we are having an impact on the economic picture of many small business' in our service area. Does this not have a positive impact on the American small business? You bet it does!

In conclusion, which ever plight you may be more prone to consider, that of the small business which would certainly be impacted by a reduction in available resources or that of the Native American Indian people who have been promised an elevation of their health status. One thing is certain, any cuts in funding of Indian Health services should be unacceptable to this committee, because it will certainly impact all kinds of people. Indian people deserve better, in fact, expect better from our government.

I thank you for your time and attention.

Thank you.

THURSDAY, MARCH 6, 1986.

CONTRACT CARE

WITNESS

DON BIERLE, MID-DAKOTA HOSPITAL ASSOCIATION

[A statement from Senator Larry Pressler follows:]

Mr. Chairman, I am pleased to introduce to your distinguished committee, Mr. Don Bierle, counsel to Mid-Dakota Hospital of Chamberlain, South Dakota who is here to present testimony on the success of the 1.8 million dollar contract awarded to Mid-Dakota to provide health care services to Indians in and around Chamberlain, South Dakota. This contract has been most successful. I have been in contact with the Tribal Chairmen of both the Crow Creek and the Lower Brule tribes and they have indicated that this program may be the very best single thing that Congress has done for these Indian people.

I would like to submit my longer statement for the record, but would just like to say that I think Congress made a wise fiscal decision when we provided contract care through Mid-Dakota Hospital. I am sorry that Mr. Don Waiberk, Administrator of the Hospital could not be with us because of a recent heart attack, but I know that you will get a very accurate picture of the situation through their able counsel, Mr. Don Bierle.

Mr. **Yates**. Mid-Dakota. Mr. Bierle.

Mr. Bierle, we are glad to have you. Your statement may be made a part of the record.

Mr. **Bierle**. Thank you, Mr. Chairman.

I am here on behalf of Mid-Dakota Hospital of Chamberlain, South Dakota, requesting a $1.8 million appropriation for the continuation of an expanded contract which the Indian Health Service—and I have no complaints about the Indian Health Service at this time—entered into with the hospital for the benefit of the people of the federally recognized tribes.

We testified before this committee in 1978 and 1983 and you challenged us in a sense that you suggested to us what solutions do you have to the problems that you are bringing before this committee in terms of shortfalls of payment, eligibility questions, quality of care, accessibility to services. We went back with the Indian Health Service in mid-1983 and had long negotiations and discussions regarding the benefit of health care to the Crow Creek Sioux Tribe and the Lower Brule Sioux Tribe.

Accessibility of health care services was paramount in the discussions, but I wish to emphasize—I was interested in the Native American relationship with state government. I think through these negotiations, there have been historic developments within the last year and a half that have taken place.

We have created a sincere bond of trust and cooperation between the hospital and the Indian Health Service. The concept of providing health care services under this contract plan was endorsed by the Crow Creek Sioux and the Lower Brule Sioux Tribes.

For the first time in the history of any civic organization in that community, Mid-Dakota Association amended its bylaws to allow the tribal councils to appoint Native Americans to the governing board of that institution so they have voting representation on the hospital board. We developed that contract and had it funded and we now have accessibility of health care to these people.

Very important is that the eligibility problems have been virtually eliminated. Reason: Because we have developed a certified list of eligible Native Americans. When they come into the hospital, they are automatically certified as being eligible and the hospital cares for them under the agreed price and we don't have these denials of payments and costly appeal procedures.

We are asking the committee to approve the $1.8 million continued funding for the program.

Mr. **Yates**. We will look at it. Thank you for calling it to our attention.

[The statement of Mr. Bierle follows:]

NAME AND TITLE OF WITNESS

Don A. Bierle
Of BIERLE & PORTER
Attorneys at-Law
Post Office Box 38
322 Walnut Street
Yankton, South Dakota 57078

Acting and Testifying as General Counsel
For and on behalf of
MID-DAKOTA HOSPITAL ASSOCIATION, INC.
Doing business as Mid-Dakota Hospital
Post Office Box 307
Chamberlain, South Dakota 57325

TO:

Congress of the United States
House of Representatives
Committee on Appropriations
Subcommittee on Interior
Honorable Sidney R. Yates, III
Chairman

March 6, 1986

The Mid-Dakota Hospital Association, Inc. is requesting a $1.8 million appropriation for a continuation of the expanded contract IHS entered into with Mid-Dakota Hospital for the benefit of all federally-recognized Indians living in and around Chamberlain, South Dakota under a $1.8 million appropriation for Fiscal Year 1985. The association doing business as Mid-Dakota Hospital, Chamberlain, South Dakota, presented testimony before this Committee in April of 1978 and again in February of 1983 with regard to the vital issue of health care for the Native American residents in South Dakota and, more particularly, in the service area of the Mid-Dakota Hospital.

The issues involved the adequate funding for the provision of fundamental health services, and the difficulties in resolving the subsequent problems arising through denials of payment.

On both occasions, the Committee inquired about the solution the Mid-Dakota Hospital had to offer which would prevent payment shortfalls, eligibility questions, quality of care, accessibility to services, and related problems surrounding the provision of health care to the Native Americans.

Mid-Dakota Hospital and the Indian Health Service representatives of the Aberdeen, South Dakota Area Office and representatives at the national level were impressed with the past problems and the difficulties arising therefrom which gave rise to serious obstacles in delivering necessary health services to the Native Americans. Starting in mid-1983, a series of meetings were held with the Indian Health Service representatives and with national representatives with the deliberate objective to achieve a mutual participation for the benefit of the health delivery system to the people of the Crow Creek Sioux Tribe and the Lower Brule Sioux Tribe.

Accessibility of health care services was the paramount concern. It was determined that the Native Americans should have access to the services and care provided by Mid-Dakota Hospital with the least amount of paperwork and "red tape".

Without question, and perhaps most notable, there developed through these intense sessions some historic relationship events between Mid-Dakota Hospital and the Native Americans, to wit:

(1) A bond of trust and cooperation developed between the Indian Health Service and Mid-Dakota Hospital.

(2) The concept of providing health care services under the provisions of the proposed plan was endorsed by the Crow Creek Sioux Tribe and the Lower Brule Sioux Tribe.

(3) The By-Laws of the Mid-Dakota Hospital Association, Inc., for the first time in the history of hospital organizations in Chamberlain, South Dakota, were amended to allow the Tribal

Council of the Crow Creek Sioux Tribe and the Lower Brule Sioux Tribe to appoint Native Americans to the governing Board of Directors to this private, non-profit corporation.

(4) The plan, which was developed through the series of negotiations, was funded, and a master contract between the Indian Health Service and Mid-Dakota Hospital was consummated.

(5) Through this contractual agreement, the accessibility of health care to the Native Americans in the community was greatly enhanced.

(6) Eligibility problems have been virtually eliminated through the provisions of this contract, because all Native Americans from recognized tribes are eligible for care at Mid-Dakota Hospital.

From the standpoint of Mid-Dakota Hospital, the contract has (1) created a positive cash flow and (2) enabled Mid-Dakota Hospital to add new services such as stress testing.

On September 15, 1985, the Indian Area Health Office, Financial Management Branch, Aberdeen, South Dakota awarded a contract to Mid-Dakota Hospital for the fixed-price provision of inpatient hospital care for a period of twelve (12) months. Mid-Dakota Hospital is obligated to provide 3,000 inpatient days of care for a contract award of $1,575,000.00; and Mid-Dakota Hospital shall further provide outpatient services to include 750 outpatient/emergency visits during the term of the agreement at an agreed upon cost of $67,500.00.

The total contract award for inpatient and outpatient/emergency services is $1,642,500.00.

It is agreed that Mid-Dakota Hospital shall provide "full" hospital services, including but not limited to, nursing care, laboratory, radiology, anesthesia, surgery (excluding physician services), obstetrics and newborn care (excluding physician services), physical therapy, EEG which includes physician interpretation by members of the hospital medical staff, and EKG which includes interpretation by members of the hospital medical staff. Emergency room care, which results in hospitalization, is considered as part of the per diem cost and is not charged as a separate and/or additional cost to the Indian Health Service.

Verification of a patient's eligibility to receive financial support from the Indian Health Service is based upon the list of eligible Native Americans which is provided by the Indian Health Service. This procedure has contributed to minimal eligibility problems.

The eligibility list contains the names of Native Americans who are from federally-recognized tribes, and is updated periodically based on information available and positive decisions of appeals of eligibility. Determination of eligibility is the sole responsibility of the Indian Health Service, and is based upon the policies and regulations promulgated by the Indian Health Service.

To facilitate the subject of eligibility, the contract provides for the appointment of a Project Officer by the Indian Health Service.

According to the list provided by the Pierre Service Unit, Indian Health Service, State of South Dakota, of all Native Americans in the service area, there are 6,055 such individuals who are potential beneficiaries of the contract services.

The cost of this contract is approximately $22.60 per month per person in the service area, which equates to a most reasonable health insurance premium in payment of such broad services. Of course, this does not include all of the other eligible Native Americans who are outside the service area.

The quality and utilization of the health care provided under the contract is monitored by the South Dakota Foundation for Medical Care, which is also the designated Peer Review Organization for the State of South Dakota.

The monitoring assures that the care and services provided are required and that the proper quality standards are being maintained.

Courtney Anderson, M.D., Sioux Falls, South Dakota, who reviews cases for many private and public hospitals in the state as a consultant to the P.R.O. Reviewer, has complimented Mid-Dakota Hospital and the physicians of the medical staff for outstanding care of the Indian Health Service patients.

Due to extensive negotiations involved, an agreement was not reached until late in Fiscal Year 1985. Thus, the hospital is now operating under the FY 1985 appropriation.

During the initial five months of the contract period, there have been 1,054 days of inpatient care utilized (which when annualized would result in 2,500 patient days).

During such period of time, there have been 509 outpatient visits (which when annualized would result in 1,200 outpatient visits).

It was recognized between Mid-Dakota Hospital and the Indian Health Service representatives, that the contract period was certainly a "pilot project" for the reason that such a major undertaking, with the wide range of services, had never before been accomplished.

Mid-Dakota Hospital urges this Committee to provide for the continuation of this exemplary program by appropriating $1.8 million for the quality health care that South Dakota's Native Americans deserve.

THURSDAY, MARCH 6, 1986.

INDIAN HEALTH SERVICE

WITNESS

MYRON FALLS DOWN, CROW TRIBAL COUNCIL

Mr. YATES. Crow Tribal Council. The last shall be first.

Mr. FALLS DOWN. Mr. Chairman, it is a pleasure to appear before you.

Mr. YATES. Your statement may be made a part of the record.

Mr. FALLS DOWN. I will be brief.

Seems like all the troubles have been exhorted on today. Basically I am here this afternoon—I am Myron Falls Down, the tribal and health director delegated to present oral testimony.

Brief and to the point: The Indian Health Service and the Bureau of Indian Affairs are the primary service providers on the Crow Indian Reservation in the area of health care and educational opportunities to members of the Crow Tribe.

Indian Health Service provides a detox program which is the only program that addresses the issue of alcohol, drug abuse and chemical substance abuse on the Crow reservation. That is the only program that is a liaison between the Indian community and the Government.

The tribal management programs which fund health departments is the mechanism which allows the tribe to do feasibility studies, to plan and to utilize Public Law 93-638, the Self-Determination Act.

The replacement hospital that is No. 5 listed on the IHS priority list, the facility that exists on the Crow reservation now, was built in 1937 and it is the same facility that exists today. It provides services not only to the Crow but Northern Cheyenne, regional service to other northern tribes in the States of Montana and Wyoming.

We must renovate. Modernization of the facility is totally foolish to consider, we believe, because it exists on a flood plain.

The tribe has passed a resolution designating land for a new facility. We urge the committee to appropriate $1.2 million for planning and design of a new facility.

The Crow Tribe realizes the pressure, the magnitude of the responsibility that is placed on this committee regarding the deficit and one thing we would like for you and your committee members to bear in mind is the unique relationship between the Federal Government and Indian Tribes, and especially I have been directed again by officials to extend to you our sincere appreciation for the work that you have been doing to assist the tribes in the areas of Indian health and education.

And in this crucial hour, we want you to know that the Crow Tribe, that our prayers and intercessions and giving thanks are mainly on your behalf that we may lead a quiet and peaceful life in all godliness and honesty.

Mr. YATES. I appreciate that. I will do my best.

[The statement of Mr. Falls Down follows:]

CROW TRIBAL COUNCIL

Crow Country

TESTIMONY
OF THE
CROW TRIBE OF INDIANS

BEFORE
THE
HOUSE APPROPRIATIONS SUBCOMMITTEE ON THE
INTERIOR

MARCH 6, 1986

Presented by: Myron Falls Down
Director
Crow Tribal Health Board

Good After noon Chairman Yates:

My name is Myron Falls Down. I am the Health Director for the Crow Tribe of Indians from the State of Montana. It is a pleasure for me to appear before this Committee and be allowed to provide Testimony. Today, I wish to focus my attention on several concerns specifically Health Care, Facilities Construction, and Education.

Prior to expounding on these issues I wish to provide the Committee with a brief preview of the Crow Tribe's Economic condition. The Crow Indian Reservation located in Southeastern Montana encompasses two and one half (2½) million acres of trust lands with an enrollment of seventy five hundred (7500) individuals and a resident population of forty seven hundred (4700) members. The 1851 Fort Laramie Treaty designated thirty eight and one half (38½) million acres as the original reservation, however, a second Treaty and three major Cessions by the United States Government reduced the reservation to its present size. The Crow Tribe's single Coal producing Mine generates Nine hundred thousand dollars ($900,000) annually, a substantial decrease from the past several years which yielded approximately two million dollars ($2,000,000) annually. The decrease resulting from a non-equitable Coal Market and a high severence Tax imposed by the State of Montana. Other Trust revenue yeilds $1.2 million dollars. These Tribal monies are utilize for Tribal Administration, Land purchase, and per capita payments of $45.00 to every enrolled member on a quarterly basis. The Tribe administers Federal and State Contracts totalling approximately Four million dollars ($4,000,000). However, the combination of these funds are designated to provide direct services to Tribal members and employs only 10% of the workforce contributing minimally to Off-set the Tribe's 70% unemployment rate. The Primary employer on the Crow Reservation is the Federal Government through the auspicies of Indian Health Service and the Bureau of Indian Affairs providing permanent employment to over 20% of the Tribal workforce. Cutbacks in federally funded programs have seriously impaired the Tribe's ability to address the basic needs of our people. Proposed further cutbacks in Indian Health Service and Indian Education funds will even further impose adverse effects, denying Native Americans' treaty rights to quality Health Care and Educational opportunities. The Administration appears to have lost sight of the basic principles upon which the unique Federal-Indian relationship is founded. The provisions of Health Care Services and Educational opportunites to Indian people is not determined by matters of Race or Economics: It is a Legal and historical obligation based on Treaty, Law, and Trust Responsibility which the Federal Government forcibly assumed over Indian Nations.

The Crow Tribe opposes this "Termination by Non-Appropriation" and We harken upon this Committee to reject any Budget Cuts for Indian Health Service and Indian Education Programs.

INDIAN HEALTH SERVICE PROGRAMS

Detoxification Program

The Detox program funded through Indian Health Service under the auspicies of P.L. 93-638 is the only viable program on the Crow Reservation addressing the detrimental issue of Alcoholism, Chemical/Substance and Drug Abuse. This is the only service on the Crow Indian Reservation.

Community Health Representatives

The CHR Program employs well trained Tribal Para Professionals providing invaluable services to the Crow Tribe with Outreach, Home Health, Disease interception approaches, reinforcing vital preventive Health Programs. The CHR program has demonstrated major accomplishments in the aforemention areas particularily in the areas of Home health and community laisons. The loss of the program would severely hinder monitoring of elderly and high risk patients and early disease detection efforts.

Tribal Management

The Crow Tribal Health Board and Department is the only tool available to the Tribe for implementation of P.L. 93-638 Contracts. The Crow Tribe utilizes these funds from Indian Health Service to Plan, Evaluate, and Develop their capacity to Contract for Health Programs under the auspicies of P.L. 93-638. The current administration stresses strengthening Indian Self-determination activities and ironically proposes elimination of the only available mechanism for Tribe's to achieve such direction. Elimination of this Program will result in curtailment of Technical Assistance, Planning, Grantsmanship, and Other Management related activities currently provided under this authority and further frustrate tribal efforts to Contract under P.L. 93-638.

Facilities Construction

My final comment focuses on a Replacement Hospital listed number five (5) on Indian Health Service's Priority list for the Crow Indian Reservation. A Hospital was constructed in 1937 to serve the Crow and Northern Cheyenne Tribes of Montana which was adequate in comparison to Health Care provided in the late thirties. The facility also provides regional services to the Northern Tribes in Montana and Wind River Tribes from the State of Wyoming. The same facility exists today except for partial remodeling to accomodate the pressures of increased utilization. Renovation and Modernization is foolish to consider due to the facility being located on a flood plan. The Crow Reservation was devasted by a flood in 1978 resulting in shut-down of the facility and evacuation of patients due to the high water level. The obsolete facility and equipment poses a major problem in Physician retention and recruitment efforts of Indian Health Service and the Crow Tribe. Indian Health Services has completed a preliminary site review of Tribal Tracts designated for the Replacement Hospital. It seems short sighted to cease construction of Hospitals; The cost of building a facility ten (10) years from today would increase by almost fifty percent (50%). Technology and the level of Health Care and facilities are changing daily throughout the United States except on Indian Reservations.

The Crow Tribe recognizes the magnitude of the responsibility imposed on this Committee and Congress to reduce the Federal Deficit, and we deeply appreciate this Committees efforts in seeking special protection for Indian Programs under the Deficit Reduction Law shielding Indian Health Service from the full impact of the Budget Cuts.

We ask this Committee to continue utilizing Indian Health Service Priority lists and to ensure No cut backs for facility Construction and allocating $1.3 million dollars be added on for planning/Design for the

Replacement Hospital at Crow Agency, Montana.

Indian Education

The Crow Tribe Supports, endorses, and encourages:

Increased Funding for Johnson-O'Malley

Continued Funding for Title IV,The Indian Education Act of 1972

Public Law 874-Indian Impact Aid

Increased Funding for Tribally Controlled Community Colleges

Minimum Operational Support (FTE) of $3,000

Chartered Operational Colleges

I have been especially directed by the Crow Tribal Officals Donald Stewart-Chairman, Richard Real Bird-Vice Chairman, Truman Jefferson-Secretary, and Charles Jefferson-Vice Secretary to extend our Sincere appreciation to all members of this Committee and Congress in this crucial hour and their Committment to the Health Care Needs of the Native Americans, and that Our supplications, Prayers, intercessions, and giving of thanks, are made for your behalf that we may lead a quiet and peaceable life in all Godliness and Honesty.

Thank You

Mr. Yates. Thank you.

The hearing is adjourned until tomorrow morning at 10:00 o'clock.

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FRIDAY, MARCH 7, 1986.

NAVAJO NATION

WITNESS

RODGER BOYD, BUREAU OF INDIAN AFFAIRS AND INDIAN HEALTH SERVICE

Mr. YATES. The Navajo Nation. There aren't many here, but I would like to make an announcement that we are going to be very strict on the five-minute rule because we have so many people. I hope that you will appreciate the fact that each of you has given us a statement, and we do read the statements. Quite frequently, witnesses will come to us, give us a statement and then proceed to read the statement. It is double, it is time consuming, and it not only holds us up, but more important, it holds the other witnesses up, and we usually wind up either a half-hour or an hour past the time. Some of them have to meet their planes.

You are Rodger Boyd, and you are here this morning representing the Navajo Nation. Mr. Reporter, show this as the continuation of the hearing on outside witnesses on the budget for fiscal year 1987. Your statement may be made a part of the record. Tell us what it is that you want us to do.

Mr. BOYD. Thank you, Mr. Chairman. On behalf of Mr. Peterson of the Navajo Tribal Council, I would like to thank you for this opportunity. As you stated, our statement will be submitted for the record.

I do want to emphasize, though, a couple of elements within our statement to you this morning, and several of the areas that really do disturb us is this new budget element called Tribe Agency Proposal that the BIA has made. We are very concerned about this, because it looks like the amount that they have allocated or that they have proposed for this budget is about 30 percent of the entire Bureau budget, and our concern about this is that if you break that 30 percent down, most of it is allocated toward general assistance programs, and we really don't have that much jurisdiction over how that money is spent.

So I think over the last 11 years, since the passage of Public Law 93-638, the whole concept, I think, and the whole philosophy of Indian self-sufficiency has become less and less and less as a philosophy within the Bureau of Indian Affairs and certainly within Indian Health Service.

I think that this budget proposal does reflect it, although they say that there isn't a block grant program now in existence, or proposed to be in fiscal year 1987. This really does not, in our estimation, provide the background and the building capacity of tribes to really govern themselves.

What we are proposing is that if, in fact, they are going to talk about self-sufficiency and self-determination, why are they talking about just allocating 30 percent of the budget? Why don't they go 50 percent or even higher and give us more of an opportunity to do that planning?

Also, they haven't developed any guidelines with that plan, to our knowledge, so it is sort of a mystery to us on how they are going to allocate this money to the so-called tribe agencies.

With regard to JOM, one of our top priorities is bilingual education, and although we know that there are some differences with the present administration on bilingual education, we still feel that within our tribe in our culture, it is extremely important that our young Navajo people be educated bilingually, and we do use some of our JOM funds for that, and certainly the proposed transfer would surely be detrimental to the program that we have.

With regard to economic development, again the Bureau seems to be cutting into part of the backbone that really helps us create that infrastructure on the reservation, that is roads and road maintenance, and we would like to have this committee take a serious look at that. I believe they have taken an almost 25 percent cut in the road construction area.

Of course, one of the areas we really would like to stress that I believe the committee is very familiar with is the Navajo irrigation project. There is $10.1 million for fiscal year 1987. I might add with that, if we can continue that project, we are looking at the development of a $50 million potato joint venture, a processing plant, that would create 400 new jobs on the reservation, and if we continue, we would have about a $25 million private capital investment in that project, and we would like to certainly promote that.

Housing, obviously, is a very deep concern of ours. It is a 42 percent reduction compounded on the fact that HUD is trying to knock out Indian housing altogether, which they have been trying to do for the past several years. It is really going to cause a lot of problems for us. We need to renovate about 12,000 homes, and we need to construct as many as 18,000 new houses on the reservation.

Indian Health Service, we strongly oppose what Indian Health Service is trying to do, especially in the CHR program, the elimination of the CHR. We have other representatives here this morning that will talk about the facilities construction, and I will just leave that for them.

In conclusion, we do come here every year before this committee to testify, and this committee has been tremendously helpful in helping us to turn the two agencies around to better reflect the needs of the Indian people, but each year it seems like BIA and IHS keep coming forth with the same budget, and I know that I am not telling you anything new, and I guess one of the things that concerns us is every time we come up here, we try to be a little bit more creative——

Mr. YATES. I think you have to be.

Mr. BOYD [continuing]. On how to approach it and suggestions that we may have, but we are extremely concerned by the fact that although the policy of this administration is one of trying to build the capacity on Indian reservations through the process of self-determination, their budgets certainly do not reflect that determination or that policy at all. We request that this committee take a very close look at the philosophy of self-determination.

The Bureau of Indian Affairs for years has treated it mainly as a program, and as I recall, when I was down at the Department of the Interior, they set up a special office for Indian self-determination, and at the time we were very concerned with the fact that again this was just going to be another line item program that was going to compete for dollars with education, with economic development, and what have you, and it is more than that. It is a philosophy, and they do believe in that process, they believe in self-determination and want to promote self-sufficiency on reservations.

I think their budgets certainly should reflect that, and the way that they can reflect it most is by closer consultation with tribes.

Mr. YATES. Thank you.

Mr. BOYD. Thank you.

[The statement of Rodger Boyd follows:]

TESTIMONY
# of the
NAVAJO NATION

Before the
House Appropriations Subcommittee
on Interior and Related Agencies
On the
FY'87 Budget of the Bureau of Indian Affairs
and the
Indian Health Service
March 7, 1986

Mr. Chairman, Members of the Committee:

My name is Rodger Boyd, Executive Administrator for Government Relations. On behalf of Chairman Peterson Zah and the Navajo Tribal Council we want to express our appreciation for this opportunity to comment on the FY'87 budget requests of the Bureau of Indian Affairs and the Indian Health Service.

I. Bureau of Indian Affairs (BIA)

The BIA asserts that it has developed its FY'87 budget request with the principal goal of enhancing the ability of Tribes and the Agencies to provide direct services to Indian people. The facts do not support this assertion. Indeed, virtually every BIA program activity is scheduled for reduction while the costs of administration continue to rise. About seventy percent of the total BIA budget is not subject to either Tribal control or comment. Of the remaining thirty percent, approximately one-third is devoted to the general assistance program and is also therefore beyond the practical control of the Tribes. The net result of the BIA's FY'87 budget request is to actually reduce the total dollars which are available both to direct services and which are subject to direct Tribal comment or control, contrary to the assertions of the BIA. All tribes can and should question the Administration's commitment to Indian self-determination and Indian self-sufficiency.

The following specific comments on the BIA's FY'87 budget request serve to highlight the foregoing general comments:

1. Tribe/Agency Operations

The FY'87 BIA budget proposal reflects an increase in funding over what Congress appropriated in FY'86. This is somewhat misleading because at the same time the budget proposal decreases many of the subactivities. The Tribe/Agency Operations budget is about thirty percent of the BIA's budget. If the BIA is still supporting tribal self-sufficiency through P.L. 93-638, then why not allocate at least fifty percent of the budget in this category? This would then clearly indicate BIA's commitment of assisting the Tribes in promoting self-determination by letting them control this portion of the budget.

The Navajo Nation is further concerned by this budget activity because the BIA has not developed any guidelines on how it plans to allocate these funds to Tribes/Agencies. Furthermore, the BIA has not consulted with Tribes to explain how this new budget activity will benefit the Tribes in addressing the many problems confronting the Indian people living on reservations.

2. The JOM Program and Title IV. The proposed transfer of the JOM program from the BIA to the Department of Education causes us great concern. We believe that this proposal will have adverse impacts on Navajo students.

Under the present program, JOM funds are contracted directly to the Navajo Nation. We are concerned that this practice will cease with the transfer of JOM to the Department of Education. The effect of this will be to undermine the established educational policies of the Navajo Nation. For example, our approved policies call for a full bilingual education for all Navajo students. We have utilized JOM funds to ensure fulfillment of this policy. If the Navajo Nation ceases to be the prime contractor for JOM in the Navajo Nation, we will see a serious erosion of our ability to promote and implement bilingual education. The real losers will, of course, be the Navajo students who will ultimately lose a vital key to their future as Navajos.

We have similar concerns with respect to the proposed transfer of the Title IV Education Enrichment and Advancement Programs from the Department of Education to the BIA. Neither of these transfers have been reviewed by the authorizing committees of the Congress. Neither of these transfers have been subjected to consultation with the Tribes. Program changes of this magnitude should always include Tribal consultation. We must ask whether the BIA understands either Tribal self-determination or the President's Indian Policy.

3. Economic Development and Employment

In FY'86 the Congress appropriated $26.6 million for BIA employment assistance programs. For FY'87, the BIA has requested $24.4 million. This proposed decrease in funding for FY'87 makes no sense. Unemployment in Indian Country continues at levels four or five times greater than the national average. Given the BIA's professed concern for the provision of direct services to Indians, there can be no justification for this proposed reduction in funds.

We are also puzzled by the proposed reduction in road maintenance funding from $23.06 million in FY'86 to $22.7 million in FY'87. For the FY'85 and FY'86 fiscal years the funds which have reached the Navajo Area have not been adequate to maintain the existing network of BIA roads. In some of the Navajo Agencies road equipment has been idled for nearly eighteen months due to the lack of funds necessary for fuel and regular maintenance. The BIA road network, which is mostly unpaved has deteriorated rapidly. The BIA claims that its objective is "to plan, schedule and provide maintenance repairs and service in accordance with the standards of the American Association of State Highway and Transportation Officials (AASHTO)." Our experience in the Navajo Nation is such that we not only have cause to disbelieve that this is the BIA's goal, but to also question whether the BIA even has a basic understanding of the minimal road maintenance needs in Indian Country.

We would also like to note here that we understand that the FY'87 appropriation request for new road construction funds from the Federal Highway Trust Fund is $75 million. The current authorizing legislation calls for an annual appropriation of $100 million. Even at this higher level, the Navajo Nation road construction program is woefully inadequate. There is a backlog of nearly 3,500 miles of road construction needs in the Navajo Nation. The construction of all-weather highways is a key component of our drive to become economically self-sufficient. We simply cannot develop an adequate economy without this vital infrastructure. The failure of the BIA to seek the full appropriation of $100 million is inexplicable and will certainly prolong Navajo dependence on the Federal treasury.

4. Tribal Government Services. We note with great interest that the BIA is proposing to reduce the budget for Tribal Government Services by about $1.3 million from $32.2 million in the current fiscal year to $30.9 million for FY'87. This reduction comes at a time when the BIA has notified the Navajo Nation that it no longer has sufficient funds to continue the operation of the Navajo Enrollment and Census Office. This program operates on an annual budget of about $323,000. The Treaty of 1868 between the Navajo Nation and the United States mandates that the United States maintain the enrollment and census records of the Navajo Nation. This activity is critical to determining such things as school enrollment, eligibility for general assistance and activities pursued under the Indian Child Welfare Act for the benefit of Navajo families and children. It defies common sense for the BIA to abandon this basic treaty responsibility, without even making an effort to secure adequate funding from the Congress. We respectfully request that this Committee instruct the BIA to continue funding for the Navajo Enrollment and Census Office in FY'87 and beyond.

5. Social Services. The BIA has proposed to reduce Indian Child Welfare funding for FY'87 to $6.1 million from its current level of $8.8 million. This 25% reduction comes at a a time when child abuse and neglect cases are increasing at an alarming rate throughout the United States. The proposed reduction also appears to be contrary to the determination of the Congress in the Indian Child Welfare Act that protection of Indian children and families forms an integral part of the federal trust relationship. Funding for Indian Child Welfare programs should at least be maintained at the FY'86 level of $8.8 million.

6. Forestry. BIA proposes to reduce forestry programs funding from the FY'86 level of $33.8 million to $29.5 million in FY'87. These reductions will have serious negative impacts on all of the Navajo Nation's forestry programs, but will be particularly severe with respect to our reforestation needs. At the FY'86 level of funding, the BIA would need at least fifty years to meets its reforestation backlog in the Navajo Nation. The reduced level of funding for FY'87 will surely increase this backlog and further hamper our efforts to promote sound management of the Navajo Timber assets.

7. Wildlife and Parks. Once again the BIA has failed to request funding for the Williams Creek fish hatchery. Williams Creek has been the principal source of fish for the lakes and streams on the Navajo Reservation for several years due to the BIA's failure to construct fish hatcheries in Navajo country. No funds are being sought for new hatchery construction in FY'87. If Williams Creek closes, then the Navajo Nation, White Mountain Apache and several other Indian Tribes will be denied the means to continue to stock their lakes and streams. This will ultimately result in the loss of millions of dollars in the sport fishery and tourism industries. We strongly recommend the continuation of funding for at least the Williams Creek Hatchery in FY'87.

8. Navajo Indian Irrigation Project (NIIP). Once again the BIA has failed to request any funding for NIIP construction. We have been advised by the NIIP Project Office that $8.3 million is needed for the completion of Block Six, $1.3 million is needed for planning and design for Blocks Seven and Eight; and $.5 million is needed to retrofit existing pumping stations. Thus, the total needed in FY'87 is $10.1 million.

The continued construction of NIIP is necessary not only to fulfill the mandate of Congress and the federal trust responsibility but also to allow us to complete plans for a $50 million potato production and processing joint venture. This business would operate on NIIP Blocks Six, Seven and Eight. It would create 400 new Navajo jobs on yearly sales of $65 million and would result in an injection of at least $25 million in private capital.

We must again express our dismay at the failure of the BIA to request funds for NIIP construction. The FY'86 appropriation bill, prior acts of Congress and the Treaty of 1868 all pledge the federal government to the completion of NIIP. We must ask when the BIA will begin to comply with these laws of the United States.

9. Housing. The BIA is proposing a 42% reduction in its Housing Services Program for FY'87. This comes at a time when the Administration has proposed a full recission of the HUD Indian Housing Program for FY'86 and is seeking no funding for HUD Indian Housing in FY'87. It is clear that both the BIA and HUD intend to get out of the Indian housing "business." In the Navajo Nation alone there is a need to renovate 12,000 houses and to construct at least 18,000 new homes. Navajos in particular and Indians in general continue to live in the most substandard housing in America. It is, at the very least, a national disgrace. This is all the more true in light of the Administration's obvious attempts to ignore this problem.

II. Indian Health Service

The Navajo Nation strongly opposes the FY'87 Indian Health Service budget request. In our view, the budget request is unacceptable and should be rejected by the committee because (1) it does not address the health needs of Indian people; (2) it does not satisfactorily resolve longstanding IHS management issues and problems; (3) it is inconsistent, misleading and inaccurate in its presentation; and (4) it does not present sound approaches towards elevating the health of the Native American population to the highest possible level.

Briefly, I would like to highlight three areas of concern within the IHS budget request:

1. CHR Program - Once again the Administration is seeking to eliminate the Community Health Representative Program. The CHR program performs a vital role in our health care delivery system, meeting the needs of the Navajo people living out in rural areas over a land base larger than the size of West Virginia. We respectfully urge the committee to restore the CHR funding level to at least the FY'86 appropriated level.

2. Hospitals and Health Clinics - The Administration proposes to cut Hospital and Clinic Funding by $19 million (4.5%). It makes no sense to cut what IHS declares (IHS Justifications p. 53) "the primary source of funds for the delivery of clinical health care to the Indian people." We urge the committee to restore the funding level to at least the FY'86 appropriated level.

3. Facilities Construction - Once again, in spite of the documented need for modernized and new health facilities, the Administration proposes to eliminate funding for facilities construction. The Navajo Nation has two hospitals on the current priorities list. The Shiprock Hospital (#2) is in need of modernization, and the Ft. Defiance Hospital (#4) needs renovation monies in order to keep it accredited until a new facility can be built. The Navajo Nation requests your consideration of these two facilities for funding during FY'87. The Shiprock facility needs $1.9 million in FY'87 for planning and design. The Fort Defiance Hospital needs $1.3 million to begin its renovation program.

CONCLUSION

Every year the Navajo Nation testifies before the Committee with great concerns over the BIA and IHS budgets. This Committee has certainly responded to our concerns and requests and has been of tremendous help in correcting the budgets of these two agencies to better reflect the needs of Indian people.

But each year BIA and IHS keep returning with budgets that do not reflect the treaty obligations, the many court decisions and acts of Congress that have been signed, entered or passed as obligations to improve the welfare of the Indian citizens of this country.

Once again we come before this Committee to testify against the proposed budgets of BIA and IHS. The Indian Policy of this Administration has been to reaffirm the philosophy of self-determination by allowing opportunities to develop that would promote Indian self-sufficiency. Yet the budgets of these agencies do not reflect the policies, goals and objectives of Indian Tribes. The spirit of improving self-determination through the consultation process is growing dimmer and dimmer. Instead of asking the Tribes what they can do to assist in the process of self-determination, they consult by telling us what they have done to make our lives better. This after the fact method of planning is becoming more and more detrimental to the planning and development process on our reservations.

This is best exemplified by the BIA's proposed budget for FY'87. They have developed a Tribe/Agency Operations budget without any guidelines on how this portion of the budget will be allocated to tribes/agencies. If this is their attempt to promote the self-determination philosophy and the Indian Self-Determination and Assistance Act of 1975, then our hopes of becoming more self-sufficient is in serious doubt. Is this new Block Grant concept in conflict with the Self-Determination Act of 1975? Is this yet another new direction without consultation with Indian Tribes?

If the Navajo Nation and other Indian Nations are going to improve their social fiber and develop a reservation economy that will be self-sustaining, then the BIA and IHS can no longer deny us the right set forth many times by Congress, the Courts, the Constitution and by Treaty.

Mr. Chairman, we thank you for the opportunity to comment on these budgets.

FRIDAY, MARCH 7, 1986.

WASHOE TRIBE OF NEVADA AND CALIFORNIA

WITNESSES

ROBERT FRANK, CHAIRMAN
MIKE HUGHES

Mr. YATES. The Washoe Tribe of Nevada and California. You didn't talk enough yesterday, did you? Your statement may be made a part of the record. Tell us what it is you want us to do.

Mr. FRANK. With me is Mike Hughes, a man that works with us.

First of all, we recommend Congress restore the funding in the Indian Health Service back to the 1986 level. We are concerned about some of the direction and some of the things happening with IHS, which other tribes have expounded on continually in the last couple of days.

Also, our concerns are on the cuts in general assistance and child welfare payments.

Mr. YATES. We will try to hit that particularly hard.

Mr. FRANK. One thing in particular, in the 1986 appropriations Congress directed the Bureau to earmark or to have earmarked $125,000 which is the BIA's law enforcement program for several private contractors in western Nevada. In meeting with BIA, in trying to loosen up those funds, they have indicated to us that they don't have the money to do that. We would request the committee to question the Bureau on why those funds aren't there, and what they have done with the money that Congress directed them to spend, but that is not an unusual occurrence with BIA, anyway.

Also, regarding the tribal agency operations, as the Navajo representative expounded on just a few minutes ago, our concern is we would urge the committee and the Congress to allow the Bureau to try that at least for a year, because it seems to be a new approach. However, our concerns are by them earmarking 33 percent of their budget, we strongly feel that the Bureau would say that is the only portion that tribes can contract for, and again just earmarking those funds, which then would save the money for their tribe-Bureau operations.

We feel all the Bureau operations should be allowed to be contractible as is the intent of 683. We strongly recommend that you take a strong hard look at that operation and recommend one year's trial operation with the Bureau to see if it can work.

Thirdly, there is a follow-up to that. We would indicate to you that we have had meetings with the Secretary of HHS. We have had meetings in this past week with OMB, and those meetings produced for us that they are willing to work with tribes interested in working and communicating directly to tribes. The basic problem comes back to the capabilities of IHS to produce, and BIA also to produce, credible documentation and credible information to the Bureau's very expensive ADP systems.

We are willing to work, as tribes, with the HHS and departments and OMB to try to improve that system so that your office, Congress, OMB and the Department of HHS gets information that tribes and Congress can use, as well as the committee, so we all agree that we are operating basically with the same information. Hopefully that would preclude us from coming here opposing IHS programs because neither one of us are communicating with each other.

[The statement of Robert Frank follows:]

WASHOE TRIBE OF NEVADA AND CALIFORNIA

Testimony on the Fiscal Year 1987 Budgets
for
INDIAN HEALTH
and
BUREAU OF INDIAN AFFAIRS

My name is Robert Frank and I am Chairman of the Washoe Tribe of Nevada and California.

I. RECOMMENDATIONS TO CONGRESS

A. INDIAN HEALTH

1. Congress should restore funding for Indian Health to at least the FY 1986 appropriated level of $807.7 million for SERVICES and $46.2 million for FACILITIES.
2. Reject the OMB proposal to rescind $62.9 million of FY 1986 funding.
3. Reject the proposed 4.5% reduction in FY 1987 Hospitals and Clinics funding.
4. Reject the 18% cut in Contract Health Services for FY 1987.
5. Closely question the assumptions behind OMB's projection of a $25 million increase in Medicare/Medicaid collections.
6. Reject OMB's proposed statutory language on private health insurance until practical considerations can be addressed.

B. BUREAU OF INDIAN AFFAIRS

1. Congress should fund the Johnson-O'Malley program at the full FY 1986 level of $28.7 million. We urge Congress to reject hidden attempts to terminate JOM contracts with 168 Indian tribal governments.
2. Congress should fund BIA General Assistance and Child Welfare Assistance payments at the full level of need, which is estimated at $85.2 million for FY 1987. Congress should also restore the $500,000 cut that was taken from social services staffing in FY 1986. And Congress should exempt General Assistance and Child Welfare Assistance payments from the Gramm-Rudman sequestrations on the same basis as AFDC.
3. In the FY 1986 appropriation, Congress earmarked $125,000 for seven Western Nevada tribal law enforcement contracts, but the BIA has failed to release those funds. We request that Congress direct the BIA to release those funds.
4. Congress should direct the BIA to honor the indirect cost rates negotiated with the Department of Interior's Office of

Inspector General.

5. Congress should allow the BIA to test the "Tribe/Agency Operations" concept, provided that it is structured to accomplish the following purposes:

   - protect funds earmarked for tribal PL 93-638 contracts from being arbitrarily expropriated by Central or Area Offices;
   - allow tribes to work with Agencies to establish allocations between tribal and Agency operations, without Area Office interference; and
   - simplify the process of reprogramming PL 93-638 funds.

6. Congress should specify in committee report language that this "Tribe/Agency" budget structure is not meant to preclude tribes from contracting for any other programs not specifically contained the "Tribe/Agency" budget Activity.

II. BACKGROUND INFORMATION - INDIAN HEALTH

The Washoe Tribe is very concerned about the President's proposed budget for Indian health. It appears that the Office of Management and Budget (OMB) has made a policy decision to abandon the federal goal of improving Indian health care. Congress and three different Republican Presidents have affirmed that goal in the Transfer Act of 1954, the Indian Self-Determination Act of 1973 and the Indian Health Care Improvement Act of 1976. We urge Congress to maintain commitment to that federal goal.

Hospitals and Clinics

The Washoe Tribe operates an outpatient clinic, using "Hospitals and Clinics" funds. Our clinic is staffed by a physician, a dentist, two nurses, and a laboratory technician. We also share a pharmacist, an optometrist and a psychologist with other tribal and IHS facilities in Western Nevada. A 4.5% cut in our funding would mean that we would have to begin cutting back on direct patient services.

Contract Health Service

The Washoe Tribe, and nine other tribes in Western Nevada, are heavily dependent on Contract Health Services funding, particularly for obstetric services, surgeries and most inpatient medical care. Obstetric services and surgeries are not available at the nearest IHS hospital, which is located 80 miles from Washoe lands.

OMB has proposed an 18% reduction in Contract Health Services. This reduction would mean that tribes in Western Nevada would have a difficult time obtaining obstetrical services for women, including inpatient services for deliveries and complications of deliveries. Access to surgical services would be difficult because of the inability of IHS to pay. According to the budget justification for Indian health:

> The FY 1987 allowance of $138 million for contract care assumes that: 1) IHS will be able to negotiate lower rates with contracting facilities wherever possible and 2) IHS will be able to initiate capitation contracts in places with a relatively high concentration of Indians and a competitive health market.

In Nevada we do not have high concentrations of Indians, nor do we have a competitive health market. The budget justification also contains the following statement:

> The IHS will issue a General Notice requiring contract providers to accept reimbursements at a level not exceeding the amount allowed by Medicare for similar services.

CHS providers in Nevada are already upset with IHS because of the slow processing of payments. We believe that providers would respond to the "General Notice" by refusing to accept Indian patients.

Medicare/Medicaid

We urge Congress to closely question the assumptions behind the estimated increase of $25 million for Medicare/Medicaid reimbursements. For the past four years, the Administration has consistently estimated large and unrealistic increases in M/M funds. These inflated figures have been used by OMB to offset budget increases.

Statutory Language for Private Insurance Collections

We urge Congress to reject the OMB-proposed statutory language regarding private insurance collections. While we would like to see IHS be able to collect insurance payments, we do not believe that this can be accomplished by decree. Practical considerations need to be addressed including:

- would IHS bill individual Indians?
- how would billings of individual Indians affect their eligibility for IHS services?
- how will the private insurance industry respond to this initiative?
- will IHS issue cost-accounted bills?
- if not cost-accounted, then what rates would IHS use for charges?

Tribal governments in the Phoenix Area are very interested in working cooperatively with HRSA to address and resolve these problems so that IHS can in fact collect private insurance collections. However we suspect that OMB is not seriously interested in collecting $8 million. We suspect that these "phantom" figures are simply used to offset obligations.

III. BACKGROUND INFORMATION - BUREAU OF INDIAN AFFAIRS

Johnson-O'Malley

The Washoe Tribe uses JOM funds to provide after school tutoring to students who attend public schools. Tribal education staff also provide educational counseling and assist parents and students to improve communications with public school teachers and administrators.

The proposed "swap" between the Department of Education and the Bureau of Indian Affairs would apparently eliminate tribal JOM contracts. The FY 1987 budget fails to mention that 168 tribal governments contract for JOM funds to provide education services to Indian students.

Social Services

We urge Congress to fund General Assistance (GA) and Child Welfare Assistance (CWA) payments at the actual level of need, which is estimated at $85.2 million for FY 1987. From FY 1982 to FY 1985 the BIA strategically asked for less than actual need for Welfare Assistance payments, as part of overall budget targets. We believe that the request for FY 1987 reflects a more realistic level of need.

The FY 1986 appropriation included a punitive $500,000 cut against social services staffing. We believe that efforts to cut BIA social services goes beyond concerns with management and reflects a termination policy approach to force tribes out of social services and to turn civil jurisdiction on Indian lands over to state governments. We urge Congress to recognize the real needs for social services on Indian lands, to reject the termination approach, and to restore funding for social services staffing.

We recommend that Congress exempt GA and CWA from Gramm-Rudman sequestrations. Current BIA regulations establish a GA standard of payments tied to AFDC standards. Gramm-Rudman exempted AFDC. Reduction in the GA payment standard would violate BIA's current regulations and the spirit of PL 99-177. Child Welfare Assistance to pay the costs of care for Indian children who are abandoned, neglected or handicapped are also tied by regulations to AFDC foster care standards, or in the case of institutionalized children, to state standards.

Law Enforcement

In FY 1985, Congress gave BIA Law Enforcement a 20% increase. The Phoenix Area received $792,000 of that increase. Of that amount, less than half, $383,600 went to tribal law enforcement contracts. None of the increase went to seven tribes in Western Nevada that contract for law enforcement.

As a result of efforts by the Washoe Tribe and Senator Paul

Laxalt, $125,000 was set aside in the FY 1986 appropriation for the seven Western Nevada tribes. Although we have made a formal request for our share of funds, the BIA has not released them. We request that the Committee direct the BIA to release those funds to tribal governments.

Indirect Costs

We urge Congress to put language in the committee reports directing the BIA to honor the indirect cost rates that tribal governments negotiate with the Interior Inspector General. We also ask that Congress direct the BIA to stop penalizing tribes for indirect costs.

This year, the BIA allocated random amounts of "indirect costs" to tribes in Western Nevada. These amounts had nothing to do with actual levels of funding for contracts. The allocations to the Washoe Tribe resulted in a $14,000 loss from our actual level of need projected at 29.5%.

We contend that the BIA has used the transition from "Contract Support Funds" to penalize tribes. We believe that ultimately, this problem must be resolved by amendments to the Indian Self-Determination Act, PL 93-638.

Tribe/Agency Operations

We tentatively support the "Tribe/Agency" concept. However, before granting final approval, Congress should obtain clarification from the BIA on the following questions:

- Will the BIA limit contracting to only those funds contained in the "Tribe/Agency" line-items?
- Will this budget structure result in segregated "BIA" and "tribal" dollars?
- Are any "Area Field Operations" funds contained in the "Tribe/Agency" line-items? If so, they should be removed.
- Will this budget structure prevent tribes from establishing priorities, or redesigning programs contained in other OIP line-items?

Robert L. Frank, Chairman
WASHOE TRIBE OF NEVADA AND CALIFORNIA
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Mr. HUGHES. I just wanted to mention on the impact of the proposed cut in the contract health services, that we have two service units in Nevada and neither provides obstetrical services. The impact of the 18 percent cut in contract health services would be that it would be very difficult to obtain those services.

Mr. YATES. We will keep that in mind. Thank you very much.

Mr. FRANK. Thank you.

FRIDAY, MARCH 7, 1986.

HOSPITAL PLANNING AND DESIGN

WITNESS

THOMAS ATCITTY, STATE REPRESENTATIVE, CHAIRMAN, SHIPROCK HOSPITAL STEERING COMMITTEE, SHIPROCK, NEW MEXICO

Mr. YATES. American Psychiatric Association.

Shiprock Hospital. You are the Shiprock Steering Committee.

Mr. ATCITTY. Yes, sir.

Mr. YATES. You must be part of the Navajo Nation?

Mr. ATCITTY. In fact, I used to be with the Navajo Community College.

Mr. YATES. I remember.

Mr. ATCITTY. We are still waiting for you to come to the golf tournament.

Mr. YATES. Is there one?

Mr. ATCITTY. Yes, sir.

Mr. YATES. Where do you play?

Mr. ATCITTY. Monticello, Utah, the southeast corner of the State of Utah.

Mr. YATES. A nice course?

Mr. ATCITTY. It is a nice little nine-holer at the foot of the mountains, and on the Fourth of July it is a nice cool place to be at that time.

Mr. YATES. It sounds beautiful. I will keep it in mind. It is a long way to go for a golf game. Tell us what is it you want us to do.

Mr. ATCITTY. Thank you, Mr. Chairman. Good morning, Mr. Chairman.

Mr. YATES. You are not going to read your statement?

Mr. ATCITTY. We have a summarized statement here plus we are going to be submitting a statement.

Mr. YATES. Your statement may be made a part of the record. Just tell us what you want us to do.

Mr. ATCITTY. Last year, as you understand, and you have been supporting our project there, your committee had recommended $1.7 million for planning and design money for modernization and upgrading of our hospital. However, the conference did not provide for it, and you gave us zero.

We have been talking to the Senate side, and it is our understanding that the Budget Committee Chairman will be submitting some figures in their budget this year, and hopefully the committee here will do likewise.

Mr. YATES. How much is involved?

Mr. Atcitty. The Headquarters is asking for $1.9 million, as opposed to $1.74 million last year. The committee is thinking that it might be a little more practical perhaps to be asking for $2.2 million.

Mr. Yates. Is this for design or construction?

Mr. Atcitty. Planning and design. We have done a feasibility study in terms of whether the present facility should be upgraded, renovated, or build an entirely new facility based on the structural soundness of the present facility, and it was deemed that the basic structures are sound enough for an upgrading, and that was our preference, to try to hold down additional expenses that might be needed.

Mr. Yates. We will take a look at it again.

Mr. Atcitty. In addition to that, Mr. Chairman, we also made a commitment that we want to roll up our sleeves and help our Government in terms of meeting some of the expenses that are needed to plan and construct. Our committee has been working through the summer getting the little kids and the grandmas involved in the fund-raiser. In fact, we are talking about a nationwide effort to try to come up with something that we can also participate in in the effort in order to help move the project along.

We have already started a local effort. Some of the companies have agreed to form their own committee to provide the fund-raiser. The State of New Mexico, people in that community are also committed to provide for fund-raising. In fact, one of the families owns the Houston Rockets and is thinking about some kind of a fund-raiser in that respect.

Ernest Borgine also likes to golf, and he might be inviting you to a golf tournament on the West Coast.

Mr. Yates. Find out how many shots he will give me.

Mr. Atcitty. Okay.

One of the physicians in Shiprock has played football with Joe Theisman in Notre Dame.

Mr. Yates. The best thing you can do, if you want to raise money, is tie it in with the publicity on the Navajo-Hopi dispute, because you are getting a lot of sympathy in that.

Mr. Atcitty. Yes.

Mr. Yates. We keep getting letters.

Mr. Atcitty. Mr. Chairman, this hospital has also been providing services to not only Navajos, but the Utes up north in Colorado have been coming down and utilizing our facilities, so this is an Indian project, not just a Navajo project, and we want to help in any way we can. You know the background, you know the history of it.

Mr. Yates. We are going to try to be helpful. Maybe we can even get it through conference.

Mr. Atcitty. Good.

[The statement of Thomas Atcitty follows:]

TESTIMONY OF

STATE REP. THOMAS ATCITTY

CHAIRMAN,
SHIPROCK HOSPITAL STEERING COMMITTEE
SHIPROCK, NEW MEXICO
BEFORE
SUBCOMMITTEE ON INTERIOR & RELATED AGENCIES
HOUSE COMMITTEE ON APPROPRIATIONS

ON

FISCAL YEAR 1987 APPROPRIATIONS

FOR

INDIAN HEALTH SERVICES

MARCH 7, 1986
WASHINGTON, D.C.

GOOD MORNING, MR. CHAIRMAN AND THANK YOU FOR OFFERING THE SHIPROCK HOSPITAL STEERING COMMITTEE THIS OPPORTUNITY TO TESTIFY ON OUR CRITICAL NEED FOR A REPLACEMENT HOSPITAL AT SHIPROCK. MR. CHAIRMAN, I KNOW THAT I DO NOT NEED TO EDUCATE YOU ON THE IMPORTANCE OF QUALITY HEALTH CARE SERVICES TO THE COMMUNITIES OF THE NAVAJO NATION. YOU ACKNOWLEDGED OUR GREAT NEED FOR A NEW HOSPITAL BY INCLUDING $ 1.7 MILLION FOR THE PLANNING AND DESIGN OF A REPLACEMENT FACILITY AT SHIPROCK IN YOUR VERSION OF THE FY 86 INTERIOR APPROPRIATIONS BILL LAST YEAR. UNFORTUNATELY, THE FINAL INTERIOR BILL DID NOT RETAIN THOSE MONIES.

WE ARE HERE TO EXPRESS OUR GRATITUDE FOR YOUR INVALUABLE EFFORT TO MOVE THIS OVERDUE PROJECT CLOSER TO REALITY. WE ARE HERE TO LET YOU KNOW THAT OUR NEED FOR A NEW HOSPITAL HAS NOT LESSENED. WE URGE YOU TO INCLUDE $2.2 MILLION IN PLANNING AND DESIGN FUNDS FOR SHIPROCK WHEN THE COMMITTEE RESTORES IHS FACILITY CONSTRUCTION FUNDS FOR FISCAL YEAR 1987.

MORE IMPORTANTLY, MR. CHAIRMAN, I AM HERE TO SHARE WITH YOU A COMMITMENT WHICH HAS BEEN MADE BY THE PEOPLE OF SHIPROCK SERVICE UNIT -- A COMMITMENT TO HELP YOU AND OTHER MEMBERS OF CONGRESS IN REPLACING OUR DETERIORATING HOSPITAL.

SINCE NOVEMBER,1984, THE SHIPROCK SERVICE UNIT RESIDENTS HAVE PLAYED AN ACTIVE ROLE IN THE PLANNING AND DEVELOPMENT OF A REPLACEMENT HOSPITAL. WE FORMED A VOLUNTEER COMMITTEE -- THE HOSPITAL STEERING COMMITTEE. OUR PRIMARY INTENT IS TO GENERATE

SUPPORT FOR THE PROJECT. WE NOW HAVE THE SUPPORT OF THE 21 NAVAJO CHAPTER GOVERNMENTS AND OF THE UTE MOUNTAIN UTE TRIBAL COUNCIL. THESE GOVERNMENTS REPRESENT THE 42,000 PEOPLE WHO WILL BE SERVED BY A NEW AND EXPANDED HOSPITAL. OUR CURRENT 27 YEAR OLD HOSPITAL IS LIMITED BY ITS CONDITION TO SERVING ONLY 25,000 OF THE 36,000 RESIDENTS NOW ELIGIBLE FOR SERVICES. IN ORDER TO MAINTAIN IT'S JCAH ACCREDITATION, THE 75 BED CAPACITY OF SHIPROCK HAS BEEN REDUCED TO 50 BEDS. YET, THIS FACILITY RANKS NUMBER 2 WITHIN IHS NATIONALLY IN TOTAL NUMBER OF ANNUAL BIRTHS AND INPATIENT DAYS.

WE ARE SO OVERDUE FOR A REPLACEMENT HOSPITAL THAT THE COMMUNITIES HAVE AUTHORIZED THE STEERING COMMITTEE TO INITIATE A PRIVATE SECTOR FUND-RAISING EFFORT. LAST YEAR THE COMMUNITY YOUTH ORGANIZATIONS SPONSORED CAR WASHES, AND THE SENIOR CITIZENS GROUPS SOLD ARTS & CRAFTS OR FOOD TO RAISE $12,000. FOR 1986, WE HAVE SET A FUNDRAISING GOAL OF $1 MILLION. THE RESPONSE FROM THE SOUTHWEST CORPORATE AND THE PROFESSIONAL SPORTS COMMUNITIES TO OUR INITIATIVE HAS BEEN VERY ENCOURAGING. IN THIS NEXT YEAR, WE HOPE TO HOLD ATLEAST TWO MAJOR FUNDRAISING FUNCTIONS. WELL-KNOWNED INDIVIDUALS HAVE AGREED TO ASSIST OUR COMMUNITY.

WE ARE DOING THIS TO DEMONSTRATE OUR STRONG COMMITMENT AND READY WILLINGNESS TO CONTRIBUTE TO THE IMPROVEMENT OF OUR HEALTH CARE SERVICES. OUR INTENTION IS NOT RELIEVE THE FEDERAL GOVERNMENT OF ITS TRUST RESPONSIBILITY TO PROVIDE US WITH DECENT

HEALTH CARE FACILITIES. HOWEVER, WE INTEND TO DO OUR PART -- CERTAINLY A PARTNERSHIP BETWEEN THE FEDERAL GOVERNMENT AND THE COMMUNITY SHOULD BRING THIS PROPOSED NEW HOSPITAL TO FRUITION SOONER.

MR. CHAIRMAN, THIS CONCLUDES MY STATEMENT. WE WILL SUBMIT OUR MORE DETAILED TESTIMONY FOR YOUR REVIEW AND THE RECORD. SOME OF OUR PROGRAM JUSTIFICATION NUMBERS WERE RECENTLY REVISED. WE WILL SUBMIT THE REVISED INFORATION WITHIN THE NEXT WEEK. I WOULD HAPPY TO ANSWER ANY QUETIONS YOU MAY HAVE FOR US.

Mr. YATES. Thank you very much.

Mr. ATCITTY. We appreciate your kind attention, and we will be providing additional statistical and some other factual information. Thank you, Mr. Chairman.

[COMMITTEE NOTE.—The information is being maintained in committee files.]

FRIDAY, MARCH 7, 1986.

INDIAN HEALTH SERVICE

WITNESS

DARYL LAPOINTE, WINNEBAGO TRIBE

Mr. YATES. The Winnebago Tribe, Mr. LaPointe. Your statement may be made a part of the record. You have problems with IHS.

Mr. LAPOINTE. I have a couple of issues I want to discuss regarding IHS. Last year, we gave testimony concerning IHS and the main problems with our tribe. I think that we need to bring those again to you to look at because the problems seem to be getting worse.

Mr. YATES. Tell me what the problems are.

Mr. LAPOINTE. Last year, I talked about the diabetes problem on our reservation and within our area. This year, approximately one out of four of our adults have diabetes, and nationally it is one in 20.

Mr. YATES. Why is that? Are they overweight?

Mr. LAPOINTE. It is the type 2, the type of diabetes that comes on in later years because of a lack of proper diet, proper exercise. It is the type of diabetes that can be——

Mr. YATES. Can it be treated?

Mr. LAPOINTE. It can be treated and held off until later years, if you take care of yourself, but we need to have programs in place like our CHR program and diabetes unit, so we can talk to the people and try to get them to understand why a majority of them are getting diabetes.

Mr. YATES. Why can't you do that now without any CHR funds?

Mr. LAPOINTE. We do that now, but when you have 70 percent of your population that live off of the commodity program, and the majority of their food comes from that, and you live on flour and you live on rice and you live on cheese and you live on butter, and there are no fresh fruits in there, and you have unemployment of 60 percent in that nation——

Mr. YATES. We have to see that you get some fresh fruits.

Mr. LAPOINTE. That sounds pretty good.

Mr. YATES. I didn't know that was part of the Indian program, but we will look at it.

Mr. LAPOINTE. And economic development, if we could get some help on that, we could probably grow our own too. We are looking at that.

One thing that I wanted to bring up today is that the Tribe of Nebraska was granted retrocession from the State of Nebraska on January 16th of this year, and we have been looking into trying to develop our law enforcement, to have it in place by July 1st. We are running into some problems with funding, and it is my understanding that there are no funds.

Mr. **Yates**. Is that all in your statement?

Mr. **LaPointe**. No. There is something besides that. I needed to bring that up.

Mr. **Yates**. You better give us a memorandum on the law enforcement aspects, because as I understand it, you won't have any law enforcement officers as a result of this?

Mr. **LaPointe**. Come July 1st, that is the end of Nebraska's fiscal year, and they haven't appropriated any funds for village policemen or anything, because of retrocession, and it is becoming a problem on funding within Interior.

Mr. **Yates**. You don't have any crime, do you?

Mr. **LaPointe**. We try to keep that to a minimum. We have heard a lot of things about the rescissions within IHS where it looks like our CHR programs probably won't be having funding. There are cuts in contracts and support on a lot of programs. The health problems on the reservation, we have been addressing them for a lot of years, and it hasn't changed, and under 638, where tribes have been contracting a lot of those, I feel like on our reservation that that tribal input from tribal members working within the community, working with the people, has been of benefit.

We are looking at getting rid of one of the main programs that provide that service in the CHR program, and I hope that you will look seriously about keeping the CHR program in tact within IHS and really not cut the money but try to find some more for us. We are training our tribal people to take care of themselves, and that is one of the goals that you want to see us reach.

Mr. **Yates**. I do, indeed. Thank you.

Mr. **LaPointe**. Thank you very much.

[The statement of Winnebago Tribe of Nebraska follows:]

PREPARED STATEMENT ON THE PROPOSED
FISCAL YEAR 1987 BUDGET OF THE
INDIAN HEALTH SERVICE FROM THE
WINNEBAGO TRIBE OF NEBRASKA
WINNEBAGO, NEBRASKA

MR. SIDNEY YATES, CHAIRMAN
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR

MARCH 6, 1986

WINNEBAGO TRIBE OF NEBRASKA
WINNEBAGO TRIBAL HEALTH TESTIMONY
MARCH 6, 1986

PROBLEM STATEMENT

The morbidity and mortality rates of the people served within the Winnebago Service Population Area indicates the health status to be serious to critical.

The crude infant mortality rates for the Winnebago Reservation are as follows:

Calendar Year	Infant Death Rate per 1,000 live births
1980	32.3
1981	62.5
1982	0
1983	58.8
1984	30.8
1985	40.0

The infant death rate for the last six years has been very high. This alarming data states that there is a major health crisis on the Winnebago Reservation. In the last two years this crisis has been vehemently addressed primarily by the Winnebago Tribal Council and then by the Tribal Health Department and the Service Unit. There has been increased attention, reorganization of the Maternal and Child Health Program and better coordination of services.

Increased awareness, more planning, and increased coordination of the Maternal and Child Health Program is essential to decreasing the alarming infant death rate and improving the overall health conditions of mothers and children.

Alcoholism is the number one health problem facing Indian people! The incidence among the young is increasing at an alarming rate. According to the data received from the Indian Health Service at the Central Office of the Alcohol Program, all ten leading causes of death among Indian people are directly or indirectly related to alcohol. For 1984, overall Indian Health Service and Contract Health Service alcohol discharge rates were 2.5 times the United States all races discharge rates.

For the Winnebago Reservation the data collected on alcoholism as of 1980, showed the prevalence to be approximately 38% and a growing problem. For people having a significant alcohol problem, expenditures were six times greater than people having no alcohol related problems.

The data on alcoholism emphasizes the critical state of health our people are in. There continues to be a critical need to provide an array of services in prevention, intervention, and tertiary (rehabilitation). Over the last two years, the local Alcohol Program has been struggling to stabilize the program, specifically to decrease the high rate of staff turnover. There are programmatic efforts being made to provide services to the community. However, a concerted effort must be made by the total community to halt this growing health problem. The whole Winnebago community is affected directly or indirectly by alcoholism.

Type II Diabetes is prevalent among the American Indian population. This type of diabetes is controllable if the people have a proper diet, exercise, and avoid obesity. Type II Diabetes can be delayed if the people are aware of these facts and take necessary action to control these health factors.

The only available data from the Diabetes Project enabled us to determine the prevalence rates for the combined Omaha/Winnebago Service Population areas. The prevalence rates for the adult population twenty years (20) years and older for the following years is:

1983	199.9 per 1,000 population
1984	215.0
1985	227.5

The Diabetes Project estimates that this data could be doubled if all adults in the population were screened. The population has all the risk factors for Type II Diabetes.

Since the development of the Diabetes Project in 1977, the available data collected enabled the Project to determine that there has been a significant reduction in the onset of dialysis, blindness, and amputations in the diabetic population.

There are no State of National Diabetes rates available to make comparisons with. Given the limited data we have, the prevalence of diabetes is high for the Winnebago Reservation.

The Environmental Health Department at the Area Office annually compiles data to develop the Community Injury Control Report. The Report is an analysis of injuries incurred in the Aberdeen Area. According to this report, the Service Unit that has the highest alcohol/injury relationship (according to the Ambulatory Patient Code, APC) was Winnebago at 29%.

The five leading causes of injuries for the Omaha/Winnebago Service Unit, for fiscal year 1981-1984 were graphed. These graphs show a gradual increase in the number of injuries for five leading causes over the four year period.

There are many other areas of service that is provided by the Office of Environmental Health. Due to staff turnover in the Environmental Health, there were minimum services provided from August 1983 until August 1984.

Since the Health Department hired a Environmental Health Technician there have been a major increase in services provided. This is due also to the assistance from the Service Unit Sanitarian.

There is an increase in the prevalence of cancer among the people of the Winnebago Reservation. Due to the lack of specific data on this disease, we cannot show the incidence or prevalence rates. The available data from the Community Health Nursing Program indicates there is an increased prevalence in cancer, specifically in cervical cancer.

It is critical to obtain the data from the Indian Health Service so we know the magnitude of the cancer prevalence. With this data, we would then be able to plan and implement services to do prevention, early detection, treatment, and followup.

Diseases of the heart are very high among our population. Again we lack specific morbidity or mortality rates pertaining to these diseases. However, analyzing the data on services provided by the Community Health Nursing Program, Community Health Representatives, and Emergency Medical Services, there are numerous home visits and emergency medical services provided to patients having cardiac and/or hypertension problems.

There is a serious need to develop services to address the diseases of the heart and hypertension. Since fiscal year 1985, the Health Department primarily, the Community Health Nursing and Community Health Representatives have been closely coordinating with the Service Unit to improve and implement the protocol pertaining to hypertension screening and treatment.

Prior to this time, it was apparent that there was no assertive effort by the Service unit to followup on individuals identified as being hypertensive.

Being that heart disease is serious among our population, it is vital to develop and implement a major program to provide services to this high risk group of people.

The need for Mental Health services are serious for the people in the Winnebago Service Population Area. The major illnesses according to the demand of service are: depression, domestic violence, sexual abuse of children, child neglect, suicide attempts and counseling for death and dying.

The Mental Health Center is providing outpatient services. Since the Winnebago Tribe was awarded a contract from the State of Nebraska in July 1984, the Mental Health staff has been preparing for state certification.

Dental care is another very serious health need of the total Winnebago population. Due to high prevalence of dental diseases there is a great demand for dental services. There are very serious problems with baby bottle syndrome, dental caries, peridontal disease, partially and fully impacted third molars (wisdom teeth).

Often times the patients must be referred to specialists which indicates an increased need for Contract Health Service funding.

Because of greater demand for dental services, there is an increased utilization of the dental equipment. The equipment must be repaired and replaced more often. We need more funding for equipment maintenance, repair, and replacement.

The Dental Assistant's wages are in critical need for upgrading. Our Dental Assistants are performing more responsibilities and are not being adequately compensated for services rendered. The Health Administration desires to upgrade their positions, however due to the lack of funds this is impossible.

The Dental Program is in critical need of more funding to improve the total quality of services.

HEALTH PROGRAMS

COMMUNITY HEALTH REPRESENTATIVES PROGRAM

The CHR Program is a vital component of the Winnebago Health Care Services. The goal is independence and self-improvement through good health. Our CHR Program encompasses a broad scope of services. All CHR's are trained EMT-As and EMT-Is and operate the ambulance services. Other services provided are: Eye Glass and Hearing Aid Repair, CPR/First Aid Classes, School Health, Community Screening for Diabetes and Hypertension, Rabies Clinics, Medication and Commodity Delivery to elderly, monitoring of TB patients, home glucose monitoring and 24 hour on-call service for emergencies. CHR's also home visit all elderly and chronically ill. They teach medication compliance, diet and exercise. Each patient assigned receives a complete physical assessment every three months. Elderly patients in nursing homes in outlying communities are monitored and relatives are given the opportunity to visit them. Transportation to local clinics and to patients referred outside the community is provided. Prenatals are identified and referred to clinic in their first trimester. There is followup on all infants who come into clinic and are placed on medication to insure medication compliance. We feel the loss of the CHR Program would increase our already high infant mortality rate. We urge you to continue funding our program.

MEDICARE/MEDICAID

The Omaha-Winnebago Service Unit is one of three Service Units that has collected the most amount of Medicare/Medicaid monies in the Aberdeen Area. We urge Congress maintain or raise the Medicare/Medicaid payment levels that supplement the Indian Health Service budget. Furthermore, 100% of the collections be returned to our local Service Unit to enhance the direct patient care.

The Winnebago Tribe urges Congress to direct the Indian Health Service to financially support the Tribal Health 638 Contracts with Medicare/Medicaid monies, specifically the Community Health Representatives Program and Tribal Management. The primary recommendation is that Congress appropriate sufficient monies to meet the national goal of providing the highest possible health status to Indians and to provide existing Indian health services with all resources necessary to effect that policy.

SENIOR CLINICIANS

Our mission is to improve the health status of our people to the highest level as possible. In order to achieve this, we need well qualified experienced senior clinicians to provide direct primary care.

In all reality to recruit and maintain senior clinicians we must have increased health resources to enable the physicians to provide quality care to patients.

We urge the Congress to support by every possible means to develop the health resources to attract the much needed senior clinicians to the Aberdeen Area.

TRIBAL MANAGEMENT

It is our goal to actively participate in the planning and administration process of the health care delivery system. In order, to achieve this goal, to function professionally in the process, funding must be appropriated at an increased level. The Tribal Management line item must not be zeroed out of the budget. It is the intent of our Tribal Government to function and maintain self-determination as mandated by P.L. 93-638, the Self Determination Act.

CONTRACT HEALTH SERVICE

This is a critical concern for the Winnebago Tribe of Nebraska. In order for the Winnebago Service Unit to operate a Contract Health Service effeciently we need a minimum of $600,000. Considering the health status of the Winnebago Tribe it is imperative that we get sufficient Contract Health Service monies.

HOSPITAL AND CLINIC

We strongly urge Congress not to decrease the very core of the Indian health care delivery system, the Hospital and Clinic monies. President Reagan proposed a $28,000,000 decrease in the Hospital and Clinic Program. We appeal to you not to accept his budget request for this program.

Instead of decreasing the Hospital and Clinic Program, we urge you to increase it to $455,000,000.

COMMUNITY HEALTH NURSING PROGRAM

We urge you to increase the appropriations for this vital program. So that we can continue to provide critical nursing services to the elderly, maternal and child health, chronically and acutely ill patients we desperately need more money for our Community Health Nursing Program.

The Winnebago Tribe urges your support to increase the appropriation for Health Education, Environmental Health and Mental Health. In order to have a viable Tribal Health Department we must have sufficient indirect cost monies. We urge you to appropriate an increase of the indirect cost monies.

This concludes our statement, the Winnebago Tribe of Nebraska appreciates the Committee for all your understanding, support and efforts to improve the health care of American Indian and Alaska Native people.

FRIDAY, MARCH 7, 1986.

ALASKA FEDERATION OF NATIVES

WITNESSES

EDWARD K. THOMAS, PRESIDENT, CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIANS OF ALASKA; AND VICE-CHAIRMAN OF THE ALASKA FEDERATION OF NATIVES, HUMAN RESOURCE BOARD

JULIE KITKA, SPECIAL ASSISTANT TO THE PRESIDENT OF THE ALASKA FEDERATION OF NATIVES

SPUD WILLIAMS

Mr. YATES. National Federation of Federal Employees.

Alaska Federation of Natives. You are a long way from home. Your statement may be made a part of the record.

Mr. THOMAS. My name is Edward Thomas, the President of the Tlingit and Haida Central Council.

Mr. YATES. Good for you. I love their old art work. I think their carvings are just marvelous. Tlingit and Haidas do basket work and ceramics?

Mr. THOMAS. Right.

Mr. YATES. I have never seen them. I just saw the wonderful sculptures that they have.

Mr. THOMAS. I am also Vice Chairman of the Alaska Federation of Natives Human Resources Board. With me is Julia Kitka, Special Assistant to the President of Alaska Federation of Natives, and Spud Williams.

Today our testimony is centered around the alarm over the large cuts proposed in the Bureau of Indian Affairs' budget for Alaska. Our cuts are in excess of 36 percent, while the rest of the Bureau of Indian Affairs' budget is around 6.7 percent.

Mr. YATES. You have spoken with Mr. Stevens?

Mr. THOMAS. Yes.

Mr. YATES. You ought to make sure he knows about it. It is good that you are here, but make sure that you talk to Senator Stevens, too.

Mr. THOMAS. Part of the reasons given by the administration for the cutbacks is, as they stated, that the Alaska Native Claims Settlement Act had been addressing the needs of Alaskan natives, and therefore, the funds were not needed. This really is not true, although the Alaska Native Claims Settlement Act did make some progress, it became very apparent very early that the Claims Act and the structure of such did not contribute to the individual Alaska natives. It did contribute somewhat to the society and help people grow in knowing about the system, but it did not contribute to the individual person, and the needs of the needy.

We are very much concerned on the other point that was made, which is that the Alaska Native Claims Settlement Act satisfied Government needs, the relationship to the Alaska natives, and basically stated there was no more special relationship to the Alaska natives as a result of the Alaska Claims Settlement Act. Julie will go into that in our testimony.

Mr. YATES. Julie isn't going to have a lot of time left.

Mr. **Thomas**. We are aware also that comments were made along the theme of the Gramm-Rudman-Hollings, and this is really not true. They wiped out a lot of the programs in the budget modification, whereas they were supposed to simply reduce such. We are very much against the cutbacks in HUD. There is much need for housing in Alaska, and we are very anxious to continue to build houses in our isolated communities.

We have appreciated the assistance of Congress in providing assistance to our needy in our state, and we are looking forward to a special relationship in the future. I will yield.

[The statement of Edward K. Thomas follows:]

TESTIMONY TO THE UNITED STATES INTERIOR SUBCOMMITTEE
HOUSE APPROPRIATIONS COMMITTEE
HEARING ON FY 1987 BUREAU OF INDIAN AFFAIRS BUDGET
WASHINGTON, D.C.
MARCH 7, 1986

SUBMITTED BY:
THE CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIAN
TRIBES OF ALASKA

GOOD MORNING MEMBERS OF THIS VERY DISTINGUISHED COMMITTEE. MY NAME IS EDWARD K. THOMAS, PRESIDENT OF THE CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIANS OF ALASKA. (HEREAFTER, THROUGHOUT THIS TESTIMONY I WILL SIMPLY REFER TO AS "TLINGIT AND HAIDA".) THANK YOU VERY MUCH FOR THIS OPPORTUNITY TO PRESENT OUR POINT OF VIEW ON THE PROPOSED FISCAL YEAR 1987 BUREAU OF INDIAN AFFAIRS BUDGET.

THIS MORNING I AM SUBMITTING THIS WRITTEN TESTIMONY FOR THE RECORD ON BEHALF OF TLINGIT AND HAIDA, WHILE PRESENTING VERBAL TESTIMONY ON BEHALF OF THE ALASKA FEDERATION OF NATIVES/HUMAN RESOURCES BOARD.

I AM ALSO THE VICE-CHAIRMAN OF THE ALASKA FEDERATION OF NATIVES/HUMAN RESOURCES BOARD. THE HUMAN RESOURCES BOARD IS COMPOSED OF REPRESENTATIVES FROM EACH OF THE TWELVE NATIVE REGIONAL NON-PROFIT ASSOCIATIONS, CHARGED WITH DELIVERY OF HUMAN SERVICES IN THE STATE OF ALASKA.

TLINGIT AND HAIDA HAS BEEN A FEDERALLY RECOGNIZED INDIAN TRIBE SINCE JUNE 19, 1935 WHEN CONGRESS PASSED THE TLINGIT AND HAIDA JURISDICTION ACT. THE TRIBE HAS ACTUALLY CONTRACTED TO RUN BUREAU OF INDIAN AFFAIRS (BIA) SERVICES TO OUR PEOPLE THROUGH THE BUY INDIAN ACT STARTING IN 1965. SINCE 1975, WE HAVE CONTINUED TO CONTRACT FOR THE BIA PROGRAM THROUGH PROVISIONS OF THE SELF-DETERMINATION AND EDUCATION ACT, PUBLIC LAW 93-638. WE HAVE ALSO CONTRACTED FOR PROGRAMS OF OTHER FEDERAL GOVERNMENT AGENCIES, AS WELL AS A SMALL NUMBER OF STATE PROGRAMS.

ALMOST WITHOUT EXCEPTION, THE PROGRAMS ADMINISTERED BY THE TLINGIT AND HAIDA ARE TARGETED AT THE NEEDY PEOPLE OF OUR TRIBE, OTHER TRIBES, AND SOME NON-NATIVES WHO ARE ELIGIBLE FOR SERVICES UNDER THE STATE PROGRAMS THAT WE ADMINISTER.

I AM TESTIFYING TODAY BECAUSE I AM VERY CONCERNED ABOUT THE PROPOSED CUTBACKS IN THE BUREAU OF INDIAN AFFAIRS PROGRAMS TO ALASKA THAT APPEAR TO BE MUCH GREATER IN PORTION TO CUTBACK IN OTHER PART OF THE BUREAU OF INDIAN AFFAIRS OR OTHER FEDERAL CUTBACKS FOR FISCAL YEAR 1987. PRELIMINARY FIGURES INDICATE THAT ALASKA BIA BUDGET CUTS WILL EXCEED 40% WHILE OTHER BIA CUTS FOR THE REST OF THE NATION WILL BE LESS

THAN 20%. WE ARE CONCERN BECAUSE IT REALLY DOESN"T MAKE SENSE TO CUTBACK THESE TYPES OF PROGRAMS SO SEVERELY WHEN IT IS PLAIN TO SEE THAT SUCH PROGRAMS ARE MUCH MORE NEEDED IN THAN MOST MANY OTHER PARTS OF THIS GREAT NATION.

A RECENT ARTICLE IN THE JUNEAU EMPIRE CLEARLY POINTED OUT THAT THE COST OF LIVING IN ALASKA IS AT LEAST 14% HIGHER THAN SEATTLE IN ANCHORAGE AND AS MUCH AS 65% HIGHER THAN SEATTLE IN BARROW.- THE UNEMPLOYMENT RATE IN SOUTHEASTERN ALASKA VARIES FROM APPROXIMATELY 10% TO 20% WHEN YOU LOOK AT THE TOTAL REGION, HOWEVER, IF YOU WERE TO LOOK AT THE SMALLER COMMUNITIES YOU WOULD FIND THE RATE IS MUCH HIGHER. FOR EXAMPLE, THE UNEMPLOYMENT IN ANGOON IS AS HIGH AS 65% IN THE WINTER AND ONLY GOES AS LOW AS 15% IN THE SUMMER. IN THE COMMUNITY OF KETCHIKAN, THE NON-NATIVE POPULATION UNEMPLOYMENT RATE IS APPROXIMATELY 8% BUT THE NATIVE COMMUNITY UNEMPLOYMENT IS APPROXIMATELY 28%.

THE STATE OF ALASKA RECENTLY PUBLISHED AN ARTICLE WHICH STATED THAT OVER 264,000 PEOPLE HAVE APPLIED FOR THE DECLINING NUMBER OF STATE GOVERNMENT JOBS.

MOST PEOPLE IN THE UNITED STATES ARE AWARE OF THE FACT THAT THE STATE OF ALASKA HAS DERIVED MUCH BENEFIT AND INCOME FROM OIL REVENUES AS A RESULT OF STATE TAXES ON OIL THAT IS SHIPPED FROM ALASKA. IT IS IMPORTANT TO POINT OUT THAT PEOPLE ON THE LOW END OF THE INCOME SPECTURM GET VERY LITTLE, IF ANY, BENEFITS FROM THESE REVENUES GENERATED BY OUR STATE GOVERNMENT. THE MINORITIES OR THOSE PEOPLE WHO NEED SPECIAL SERVICES GET VERY LITTLE CONSIDERATION FROM LARGE BUSINESS INFLUENCED POLITICAL POWERS, THEREFORE STATE PROGRAMS THAT COULD PROVIDE DIRECT BENEFIT TO NEEDY ALASKA NATIVES ARE VERY LIMITED OR NON-EXISTENT. FOR EXAMPLE, THE STATE OF ALASKA DOES NOT PROVIDE FUNDS FOR OUR HOUSING IMPROVEMENT TO THE NEEDY. THE STATE DOES NOT PROVIDE COLLEGE ASSISTANCE GRANTS TO THE PEOPLE WHO CANNOT AFFORD TO BORROW THE MONEY. THEY DO NOT PROVIDE MUCH NEEDED ADULT VOCATIONAL TRAINING PROGRAMS TO IMPROVE THE POSTURE OF THE RURAL LOW INCOME STUDENTS. THEY PROVIDE VERY LITTLE SOCIAL SERVICES COUNSELING TO PEOPLE IN RURAL ALASKA. THESE PROGRAMS, CURRENTLY PROVIDED THROUGH THE BIA, ARE CRITICAL TO THE LONG-TERM SOLUTION TO THE PROBLEM RELATED TO POVERTY IN ALASKA.

MUCH OF THE ACTIVITY AND GROWTH CREATED BY THE INFLUX OF PEOPLE AS A RESULT OF THE TRANSALASKA PIPELINE AND OIL DEVELOPMENT RELATED BUSINESSES HAVE CREATED MORE PROBLEMS THAN ANSWERS TO ALASKA NATIVES. OIL COMPANIES CONTINUE TO BRING IN THEIR OWN PEOPLE FROM THE OUTSIDE AND CARPETBAGGER TYPE PEOPLE FROM ALL ACROSS THE COUNTRY AS WELL AS FROM OTHER NATIONS FLOCK TO ALASKA IN HOPES OF SECURING HIGH PAYING JOBS. THIS FACTOR CONTRIBUTES TO THE ALRADY SEVERE SOCIAL PROBLEMS THAT HAVE EXISTED SINCE OUR PEOPLE WERE FORCED FROM A SUBSISTANCE WAY OF LIFE TO A CASH ECONOMY. HIGHER SALARIES PAID TO PEOPLE FROM THE OUTSIDE BY LARGE INDUSTRY AS WELL AS STATE AND FEDERAL GOVERNMENTS HAVE GREATLY INCREASED THE COST OF LIVING IN THE STATE OF ALASKA.

I BRING THESE SITUATIONS TO YOUR ATTENTION BECAUSE IT IS CLEAR THAT MANY PEOPLE WHO HAVE NOT BEEN TO ALASKA OR DO RESIDE IN ALASKA, DO NOT FULLY UNDERSTAND THAT SIMPLY BECAUSE LARGE AMOUNTS OF MONEY IS MADE AND CHANGES HANDS IN STATE OF ALASKA, NOT EVERYBODY BENEFITS EQUALLY.

WHEN WE LOOK AT THE FACT THAT THE BIA BUDGET FOR ALASKA WILL BE CUTBACK APPROXIMATELY 40% WHILE FEDERAL SPENDING IN OTHER PARTS OF THE UNITED STATES IN OTHER PROGRAMS ARE CUTBACK

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ONLY ABOUT HALF AS MUCH AS WE WILL BE CUTBACK, WE CANNOT HELP BUT FEEL THAT WE HAVE BEEN SINGLED OUT FOR SOME REASON. WE WOULD LIKE TO KNOW WHY? WE WOULD LIKE TO KNOW WHY OUR NEEDY, OUR HELPLESS, OUR UNEMPLOYED, ARE NOT JUST AS IMPORTANT TO HELP AS THE NEEDY AND UNEMPLOYED IN PARTS OF THIS COUNTRY. WE WOULD LIKE TO KNOW WHY THAT EVEN FOREIGN NATIONS OUTSIDE THE BOUNDARIES OF THESE UNITED STATES ARE GIVEN EVEN MORE CONSIDERATION AS A PEOPLE THAN OUR PEOPLE ARE? WE FEEL IT IS INJUST, INHUMANE, AND JUST DOESN'T MAKE SENSE.

NATURALLY, I CAN GIVE YOU MANY MORE EXAMPLES AS TO DISPARITY OF POLICY AS IT BENEFITS OUR NEEDY PEOPLE IN ALASKA, HOWEVER, IN THE INTEREST OF TIME AND CONSIDERATION OF YOUR TIME, I SIMPLY WANT TO ONCE AGAIN CALL UPON CONGRESS TO RISE UP ON OUR BEHALF TO PROTECT THESE MEAGER PROGRAMS THAT MAKE IT POSSIBLE FOR OUR NATIVE PEOPLE IN ALASKA TO LIVE FROM ONE DAY TO THE NEXT. LET US CONTINUE TO WORK TOGETHER TO THE DAY WHEN WE ARE TRUELY SELF-DETERMINED AND FREE OF DEPENDENCE ON THE GOVERNMENT FOR EXISTANCE.

TLINGIT AND HAIDA PEOPLE ARE VERY GRATEFUL TO THE UNITED STATES CONGRESS IN THE ADVOCATCY AND PRESERVATION OF THE

HUMAN RIGHTS OF OUR PEOPLE. WE ARE AWARE THAT EVEN THOUGH OTHERS HAVE TRIED TO DIMINISH OR EVEN REMOVE THESE SPECIAL RELATIONSHIP OUR PEOPLE HAVE WITH THE UNITED STATES GOVERNMENT, CONGRESS HAS HELD STEADFAST TO THE PRINCIPLES OF FAIRNESS, EQUAL OPPORTUNITY AND SELF-DETERMINATION THAT OUR PEOPLE ARE VERY GRATEFUL FOR. ONCE AGAIN, WE ASK FOR YOUR SUPPORT IN MANAGING THE REDUCTIONS IN THE BUDGET IN A FAIR AND EQUITABLE FASHION SO THAT THOSE WHO NEED THE PROGRAMS ARE NOT ADVERSLY AFFECTED AND FORCE THOSE WHO ARE SIMPLY INVOLVED IN THE PROGRAMS FOR PERSONAL GAIN OR TO SIMPLY MAINTAIN A BUREAUCRACY TO ADJUST TO THE NEED TO CUTBACK FEDERAL SPENDING.

THE TLINGIT AND HAIDA LEADERSHIP AGREES THAT THE UNITED STATES GOVERNMENT MUST WORK TOWARDS A BALANCE BUDGET. WE ARE COGIZANT OF THE FACT THAT THE INTEREST ON THE OUTSTANDING DEBTS OF OUR GOVERNMENT CAN EVENTUALLY CRUSH OUR ABILITY TO OPERATE EFFECTIVELY AS A GOVERNMENT. WE HAVE ALWAYS BEEN WILLING TO ABSORB OUR SHARE OF THE CUTBACKS WHEN NECESSARY, HOWEVER, WE FEEL THAT WHEN CONGRESS PASSES APPROPRIATION BILLS, THESE BILLS BE PASSED WITH THE CONDITION THAT BUREAUCRATIC RED TAPE BE DIMINSHED AND MANDATE THAT ADMINISTRATIVE STAFF WITHIN THE GOVERNMENT SYSTEM, ITSELF, BE

REDUCED RATHER THAN MAKING IT IMPOSSIBLE FOR THOSE PEOPLE AT THE TRIBAL LEVEL WHO ACTUALLY DELIVER THE PROGRAMS. I CAN ASSURE THAT THROUGH THE NEXT SEVERAL YEARS AS YOU ATTEMPT TO CUTBACK YOUR SPENDINGS THAT THE BUREAUCRACY WILL FIGHT TO MAINTAIN ITSELF WHILE ADVOCATING THE CUTTING BACK SERVICES THAT ARE ACTUALLY NEEDED BY THE PEOPLE. I THINK THAT IF YOU WERE TO EXAMINE THE BUREAU OF INDIAN AFFAIRS ITSELF, YOU WOULD FIND THAT THERE ARE LAYERS AND LAYERS OF BUREAUCRACY SIMPLY BECAUSE PEOPLE CANNOT MAKE A DECISION THEMSELVES. AT THE TRIBAL LEVEL, WE DO NOT HAVE THE LUXURY OF SUCH LAYERS; WE MUST MAKE OUR OWN DECISIONS AT ONE LEVEL.

TLINGIT AND HAIDA WILL BE HAPPY TO WORK WITH ANY CONGRESSIONAL OFFICES TO HELP THEM IN THE IDENTIFICATION OF AREAS IN FEDERAL GOVERNMENT THAT ARE DUPLICATES FOR THE PURPOSES OF ADMINISTERING SERVICE TYPE PROGRAMS. WE KNOW THAT CUTBACKS MUST BE MADE BUT WE ALSO FEEL THAT CUTBACKS CAN BE MADE WITHOUT GREATLY REDUCING BENEFITS TO PEOPLE WHO GRAVELY NEEDS SUCH BENEFITS INORDER TO SURVIVE IN THIS COUNTRY.

ONCE AGAIN, THANK YOU FOR THIS OPPORTUNITY TO PRESENT TESTIMONY ON BEHALF OF OUR TRIBE AND WE WISH YOU GOOD LUCK IN THIS CONGRESSIONAL SESSION. THANK YOU.

Mr. **Yates**. Tell us what it is specifically you want us to do.

Ms. **Kitka**. Basically there are two things that we would request that this committee consider. One thing has to do with the termination language which the administration keeps proposing and inserting in with the language from the President's budget and OMB's mark on the budget to the administration. They basically say Alaska natives were terminated based on the Alaska Native Claims Settlement Act, and they make all kinds of statements which we are very, very deeply concerned about, because they are not true.

Mr. **Yates**. You mean there has been no termination?

Ms. **Kitka**. There has been no termination. So the language which is being proposed as far as the termination on that, we would like that straightened out.

Mr. **Yates**. We will look at that.

Ms. **Kitka**. The second thing that we would like is, our budget is being hit by $12.4 million, and we would like that money to be restored back to our Alaska native programs. We understand perfectly that there needs to be budget cuts because all the people in the United States are faced with that. We just want a fair and equitable budget and our share of the national Indian budget and not to be hit with 36 percent, so that basically is it.

What is not in our written testimony is the House committee which held hearings in February on the BIA budget came out with a bipartisan committee recommendation that Alaska money be restored, and so we wanted to bring that to your attention. It is in the committee report.

Another thing that I wanted to hit, as far as the budget reductions, is that the budget the administration proposes, if you even restore the money, isn't going to meet the basic needs of Alaska natives, and I don't believe it is going to meet the basic needs of Indian tribes throughout the Nation, and it is very important for the committee to consider that.

Mr. **Yates**. What do you mean by that? That is a generality that I would hope you make more specific.

Ms. **Kitka**. Let me give you two examples on that, college scholarships and education. Alaska natives are really far behind as far as the rest of the Nation in trying to get our people through college. As the 1980 census showed, we only had about 875 Alaska natives that had college degrees out of a population close to 80,000 Alaskan natives. We are less than half of the percentage of native Americans throughout the Nation as far as getting our people through college. There is only 3.5 percent of our folks have made it through college compared to almost seven percent for native Americans.

Our state is a highly educated state. There is almost 23 percent of the people who live in Alaska have college degrees. Our people cannot compete in the economic system in jobs and things like that, because they don't have the education. The proposed cuts for Alaska eliminate close to 400 Alaska native students from going to college. They won't receive scholarships. I think the figure, the amount that will get to go, is 750, but of the 750 who will go, those are just continuing students. There will be no new freshmen that start.

We have finally been able to, with the help of the state, get more Alaska native students to graduate from high school. I think 75 percent graduate.

Mr. YATES. What is your other point?

Ms. KITKA. The other example is the Indian Child Welfare Act. The proposed budget in that for Alaska was $750,000. The administration proposed reducing it 12 percent. The key point on that is the Indian Child Welfare Act was passed to try to help native communities keep their children. Alaska natives, about 90 percent of our civil litigation in our state has to do with the Indian Child Welfare Act in trying to allow families to keep their children in their families, their extended families or their communities. The big change in the last few years is, our kids aren't being sent out by the thousands out of state, but they are still being taken out, forced removal by the state and relocated either in urban areas or other communities that have no cultural ties.

Mr. YATES. Why is that happening?

Ms. KITKA. Part of it has to do with the tremendous social pressures that are going on in our communities. There are all kinds of changes that are taking place which families are not having the preventive help. There are not many efforts going on to try to strengthen families and communities. There are communities that are really torn by alcohol abuse. There is drug abuse. There is high unemployment.

Mr. YATES. And that is why the kids are being taken out?

Ms. KITKA. To a certain degree, yes. It is based on stress on the families, but we have been trying to work with the state for a number of years to try to get some workable systems on that. We don't have any agreements with the state. We are saying their interpretation of the Indian Child Welfare Act is different than ours. For example, the social workers will take the Eskimos from the western area of the state and place them with a Tlingit family in Southeast and think they have complied with the Child Welfare Act. There is a difference between them and, say, the UPIKs, which is one of the most traditional in our state, and the state has really not come to grips with that. We want the money restored because we are trying to get our community educated as to the rights on that and trying to get them to intervene on these custodies earlier because the local communities know who the kids are and try to keep the kids in the family.

Mr. YATES. We will take a very close look at that, and if you want to expand on that point with a supplemental point, the committee will appreciate it.

Ms. KITKA. Yes.

Mr. THOMAS. One other point I want to make is I am objecting to the removal of the office. The movement is too expensive. They save money and then spend it by moving.

[The statement of Julie E. Kitka follows:]

TESTIMONY SUBMITTED TO THE
HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE
FY 1987 BIA BUDGET HEARING

Julie E. Kitka
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Alaska Federation of Natives
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**ALASKA FEDERATION
OF NATIVES, INC.**
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ON BEHALF OF THE ALASKA FEDERATION OF NATIVES, I WOULD LIKE TO EXPRESS OUR APPRECIATION FOR THE OPPORTUNITY TO PRESENT WRITTEN TESTIMONY ON THE PROPOSED FEDERAL BUDGET CUTS FOR THE BUREAU OF INDIAN AFFAIRS AND THE INDIAN HEALTH SERVICE.

THE ALASKA FEDERATION OF NATIVES IS A STATEWIDE NATIVE ORGANIZATION WHOSE BOARD OF DIRECTORS IS COMPOSED OF A REPRESENTATIVE OF EACH OF THE THIRTEEN NATIVE REGIONAL CORPORATIONS FORMED UNDER THE ALASKA NATIVE CLAIMS SETTLEMENT ACT - A REPRESENTATIVE OF EACH OF THE TWELVE NATIVE REGIONAL NON-PROFIT ASSOCIATIONS AND TWELVE REPRESENTATIVES OF IRA COUNCILS AND OTHER VILLAGE ORGANIZATIONS.

BEFORE I BEGIN, I WOULD LIKE TO IDENTIFY TWO MAJOR PROBLEMS WE HAVE ENCOUNTERED IN ATTEMPTING TO ANALYZE THE PROPOSED CUT-BACKS. THE FIRST PROBLEM WAS THE LACK OF SPECIFICITY OF BUDGET DATA WHICH IS AVAILABLE TO NATIVE TRIBES AND ORGANIZATIONS. THE SECOND PROBLEM WAS THE INJECTION OF NEW CATEGORIES WHICH FRUSTRATED THE COMPARISON BETWEEN INDIVIDUAL LINE ITEMS IN THE 1987 BUDGET REQUEST AND THOSE IN THE 1986 APPROPRIATION. AS THE ADMINISTRATION HAS STATED, THE COMPARISONS ARE GENERALLY MEANINGLESS BECAUSE OF THE NEW CATEGORIES.

Integrity.Pride in Heritage.Progress

NOW THAT I HAVE IDENTIFIED THE TWO MAJOR RESTRAINTS WE HAVE ENCOUNTERED IN TRYING TO UNDERSTAND WHAT IS BEING PROPOSED - LET ME BEGIN.

IN ADDITION TO THE 4.3% GRAMM-RUDMAN ACT ASSESSMENT FOR FY86, ALASKA NATIVES ARE SINGLED OUT BY OMB, THE PRESIDENT, AND THE DEPARTMENT OF INTERIOR FOR A REDUCTION OF $12,382,000 FOR FY87. THIS $12,382,000 IS 36% OF OUR TOTAL ADJUSTED BUDGET FOR FY86. THIS ALTERNATIVE CHOSEN BY THE DEPARTMENT OF INTERIOR TO ADMINISTRATIVELY REPROGRAM TOTAL BUREAU FUNDS IS STRONGLY OPPOSED BY ALASKA NATIVES. WE URGE THE CONGRESS TO REJECT THIS PROPOSAL.

THE PRESIDENT'S RATIONALE FOR THE REDUCTION IS STATED IN HIS FY87 BUDGET TO THE CONGRESS WHICH READS:

> " The largest reduction is for 12.4 million for financial support of programs in Alaska where several activities are being reduced or eliminated. This reduction will be partially offset by an increase of 2.5 million to accelerate surveys of Alaska Native allotments. Given the improvement in Native economic status due to ANCSA, the absence of land holdings that the US has statutory responsibility to manage and the absence of any treaty rights to be protected, the administration believes that Alaska Natives no longer require the level of financial support that the federal government provided in the past. In the recent past, the State has taken on greater responsibility for serving Alaska Natives with education and welfare assistance programs. Moreover Alaska has only one reservation. Over 30% of Alaska Natives live in urban areas and the remainder in villages which are or can be included under Alaska state law."

THE DEPARTMENT OF INTERIOR'S RATIONALE FOR THE REDUCTION IS STATED IN IT'S RELEASE, DATED FEBRUARY 5, 198C WHICH STATES:

> " Because of the implementation of the ANCSA and the assumption by the State of greater responsibility for education and welfare programs, previous levels of federal financial support for Alaska Natives are no longer considered necessary. "

THE UNITED STATES CONGRESS MUST REJECT THIS TERMINATION LANGUAGE. WE FEEL THE NOVEL EXPERIMENT WITH THE ALASKA NATIVE CLAIMS SETTLEMENT ACT IS BEING USED TO TERMINATE AND ASSIMILATE ALASKA NATIVES.

THE REASON ALASKA NATIVES ARE SINGLED OUT FOR SUCH A LARGE FEDERAL CUT OF $12.4 MILLION HAS TO DO WITH TWO FUNDAMENTAL MISCONCEPTIONS BY OMB AND THE ADMINISTRATION. THE TWO MISCONCEPTIONS ARE THAT: 1) THE SPECIAL RELATIONSHIP BETWEEN ALASKA NATIVES AND THE FEDERAL GOVERNMENT WAS TERMINATED WITH THE PASSAGE OF THE ALASKA NATIVE CLAIMS SETTLEMENT ACT OF 1971; AND 2) THE ROLE OF THE STATE OF ALASKA IN MEETING THE SPECIAL NEEDS OF ALASKA NATIVES. THESE PERCEPTIONS ARE ABSOLUTELY WRONG. LET ME EXPLAIN.

SPECIAL RELATIONSHIP BETWEEN ALASKA NATIVES AND THE FEDERAL GOVERNMENT

AS MOST OF YOU KNOW, ANCSA WAS UNIQUE IN THE HISTORY OF THE UNITED STATES' TREATMENT OF ABORIGINAL LAND CLAIMS. INSTEAD OF ESTABLISHING RESERVATIONS, THE CONGRESS DECIDED TO USE A CORPORATE STRUCTURE TO IMPLEMENT THE SETTLEMENT. STATE-CHARTERED BUSINESS CORPORATIONS - 13 AT THE REGIONAL LEVEL AND SOME 200 AT THE VILLAGE LEVEL - WERE FORMED TO OWN AND MANAGE THE LAND AND MONEY RECEIVED UNDER THE SETTLEMENT ON BEHALF OF THEIR NATIVE SHAREHOLDERS.

IF YOU GO BACK AND TALK TO NATIVE LEADERS WHO WERE ACTIVE IN FIGHTING FOR THE SETTLEMENT, IF YOU LOOK AT THE TESTIMONY PRESENTED DURING THE 1960'S AND EARLY 1970'S, IT IS PRETTY CLEAR THAT ALASKA NATIVES HAD GREAT EXPECTATIONS ABOUT WHAT THE SETTLEMENT WOULD ACCOMPLISH.

VERY CLEARLY IT WAS A LAND SETTLEMENT AND ONLY A LAND SETTLEMENT. IT DID NOT, IN ANY WAY, CHANGE THE STATUS OF TRIBAL GOVERNMENT AND SELF-DETERMINATION. NOR DID IT IN ANY WAY REDUCE THE FEDERAL GOVERNMENT'S TRUST RESPONSIBILITY TO ALASKA NATIVES.

YET WE DID HAVE EXPECTATIONS. WE THOUGHT THE SETTLEMENT ACT WOULD GIVE US THE TOOLS TO PARTICIPATE IN THE ECONOMIC DEVELOPMENT OF THE STATE. AND IT DID. BUT WE ALSO THOUGHT IT WOULD SIGNIFICANTLY IMPROVE THE EMPLOYMENT PROSPECTS AND GENERAL WELL-BEING OF ALASKA NATIVES ON A BROAD SCALE. THAT, IT HAS NOT DONE.

WE THOUGHT ANCSA WOULD CURE SOCIAL PROBLEMS AND HEALTH PROBLEMS; THAT IT WOULD PAVE THE WAY FOR EDUCATING OUR PEOPLE, WHILE STILL PERPETUATING TRADITIONAL VALUES AND CUSTOMS WHICH ENABLED OUR ANCESTORS TO SURVIVE FOR CENTURIES IN LAND THAT TO MOST PEOPLE WAS HARSH AND FORBIDDING. THAT, ANCSA HAS NOT DONE.

THE SETTLEMENT HAS NOT - AND BY IT'S VERY NATURE, COULD NOT - MAKE A MEANINGFUL DIFFERENCE IN THE LIVES OF MOST ALASKA NATIVES, ESPECIALLY RURAL NATIVES.

ONE OF THE REASONS WHY IT HAS NOT - MOST OF THE VILLAGE CORPORATIONS RECEIVED NEITHER SUFFICIENT FUNDS NOR TECHNICAL ASSISTANCE TO DEVELOP FULL-SCALE LOCAL ECONOMIES.

CORPORATIONS ARE NOT, AND CANNOT BE THE SOURCE OF MEETING EVERY NEED. THE CHANGES THAT HAVE OCCURRED IN NATIVE VILLAGES - BETTER HEALTH PROGRAMS, WATER AND SEWER SYSTEMS, LOCAL SCHOOLS, ACCESS TO TELEVISION AND COMMUNICATIONS, IN GENERAL, ARE, FOR THE MOST PART, THE RESULT OF OIL REVENUE COMING TO THE STATE OF ALASKA - NOT ANCSA.

DESPITE THE PERHAPS NAIVE EXPECTATIONS WE MAY HAVE HAD ABOUT WHAT ANCSA WOULD DO FOR US, AS A PEOPLE, IT WAS VERY CLEAR THEN, AND IT IS VERY CLEAR NOW, THAT IT WAS NOT A TERMINATION ACT. IT IS VERY CLEAR THAT TERMINATION MUST NOT HAPPEN AND ANY ATTEMPTS TO MAKE IT HAPPEN MUST BE CHALLENGED ON THE BASIS OF THE HISTORICAL RELATIONSHIP BETWEEN THE FEDERAL GOVERNMENT AND NATIVE PEOPLE, AND THE CONTINUING RESPONSIBILITY THAT THE FEDERAL GOVERNMENT BEARS.

THE TRUST RESPONSIBILITY OF THE FEDERAL GOVERNMENT TO AMERICAN INDIANS AND ALASKA NATIVES WILL NOT AND CAN NOT BE MET SOLELY BY ECONOMIC TOOLS AND BUSINESS ENTERPRISE. FOR ALASKA NATIVES IT CAN NOT BE MET SOLELY BY THE ECONOMIC TOOL OF ANCSA.

LET ME REITERATE - THERE IS ALOT OF DISCUSSIONS GOING ON RIGHT NOW CONCERNING THE EFFECT OF ANCSA ON OUR TRIBAL STATUS AND THE SPECIAL RELATIONSHIP BETWEEN THE UNITED STATES AND ALASKA NATIVES. IT HAS ALWAYS BEEN OUR BELIEF THAT THE ANCSA WAS BASICALLY A REAL ESTATE SALE. ALASKA NATIVES WERE NOT "GIVEN" ANYTHING. THE 44MILLION ACRES OF LAND FROM THE ACT IS OUR RESIDUAL LAND BASE - WHAT IS LEFT OF WHAT WE ONCE OWNED. ALL OF THE NEGOTIATIONS BETWEEN CONGRESS AND ALASKA NATIVES DURING THE LATE 60'S AND EARLY 70'S CONCERNING THE SETTLEMENT IN NO WAY AFFECTED THE SPECIAL RELATIONSHIP BETWEEN THE FEDERAL GOVERNMENT AND ALASKA NATIVES. NOR DID IT REPEAL OR IN ANY WAY ALTER, TRADITIONAL TRIBAL RIGHTS OF SELF-GOVERNMENT WHICH RESTS WITH NATIVE COMMUNITIES AND WHICH PREDATE

ANCSA, THE STATE OF ALASKA AND THE UNITED STATES. WHETHER THOSE RIGHTS TO SELF-DETERMINATION IN OUR COMMUNITIES ARE ASSERTED THROUGH TRADITIONAL VILLAGE COUNCILS OR IRA INSTITUTIONS, THE POINT IS THEY SURVIVED ANCSA.

LET ME DISCUSS BRIEFLY THE OTHER MISPERCEPTION BEING USED AGAINST US -

THE ROLE OF THE STATE OF ALASKA IN MEETING THE SPECIAL NEEDS OF ALASKA NATIVES

THE ADMINISTRATION STATES:

> " The State of Alaska, of which the 69,000 Alaska Natives are citizens, is comparatively wealthy and has regularly distributed state budget surpluses to its residents.... Natives are a political force in Alaska with a voice in state affairs that far exceeds Indian influence in the lower 48 states.....An adjustment of BIA's role in Alaska to compensate for the special situation there is long overdue, and given current fiscal constraints should not be delayed..."

IN REFERENCE TO THESE STATEMENTS, I WOULD LIKE TO RESPOND - ALASKA NATIVES MAKE UP LESS THAN 15% OF THE TOTAL POPULATION IN THE STATE OF ALASKA. OUR POPULATION PERCENTAGE IS GRADUALLY SHRINKING WITH THE DAILY INFLUX OF PEOPLE FROM THE OTHER STATES. CURRENTLY WE HAVE BEEN MILDLY SUCCESSFUL IN WORKING WITH THE STATE OF ALASKA TO ADDRESS PRIORITY, BASIC NEEDS OF ALASKA NATIVES. THIS RELATIVE SUCCESS IS SHORT-LIVED FOR TWO REASONS. THE FIRST REASON IS THE DRAMATIC DECLINE IN STATE REVENUE RESOURCES DUE TO DECREASING OIL PRODUCTION AND PRICES, WHICH WILL ACCELERATE BY THE 1990'S. ABOUT 85% OF THE STATE'S TREASURY, CONTROLLED BY THE LEGISLATURE IS STOCKED BY PETRO DOLLARS. AS OIL-DERIVED REVENUES

FOLLOW A DOWNWARD SPIRAL - THE STATE IS NOT GOING TO BE CAPABLE OF MEETING THE BASIC NEEDS OF ALASKA NATIVES IN THEIR 200 PLUS REMOTE COMMUNITIES.

THE SECOND REASON, WE BELIEVE THE SUCCESS IN WORKING WITH THE STATE TO ADDRESS PRIORITY, BASIC NEEDS OF ALASKA NATIVES, IS SHORT-LIVED DEALS WITH POLITICAL REAPPORTIONMENT. IN THE PAST TWO DECADES SEVERAL EVENTS HAVE REARRANGED THE POWER STRUCTURE OF THE STATE. ALTHOUGH MUCH AUTHORITY WAS CENTRALIZED IN ALASKA'S STATE GOVERNMENT, A REGIONAL BALANCE WAS REACHED THROUGH APPORTIONMENT. HOUSE MEMBERS WERE ELECTED ACCORDING TO POPULATION AND SENATORS WERE CHOSEN FROM SPECIFIC LAND AREAS. A 1962 U.S. SUPREME COURT DECISION ELIMINATED APPORTIONMENT BASED ON GEOGRAPHIC REGIONS. DOMINANCE OF ALASKA'S VERY POWERFUL STATE GOVERNMENT BY A SINGLE REGION WILL BE THE LIKELY RESULT OF REAPPORTIONMENT BASED ON THE 1990 CENSUS - A DEMOGRAPHIC FACT OF LIFE HARDENED BY THE DOCTRINE OF ONE-PERSON-ONE-VOTE. DUE TO THE INFLUX OF PEOPLE FROM OTHER STATES TO ALASKA, OUR NEXT REAPPORTIONMENT WILL LEAVE CONTROL OF OUR STATE LEGISLATURE IN THE HANDS OF OUR LARGEST AND MOST URBAN AREA - ANCHORAGE. THE RURAL AREAS OF ALASKA, INCLUDING THE 200 PLUS VILLAGES OUR PEOPLE LIVE IN WILL BE FROZEN OUT OF THE LEGISLATIVE AND APPROPRIATION PROCESS.

THIS CONCLUDES THE PORTION OF MY TESTIMONY RESPONDING TO THE MISPERCEPTIONS OF THE ADMINISTRATION INREGARD TO ALASKA NATIVES. I WILL NOW COVER OUR CONCERNS WITH THE BUREAU OF INDIAN AFFAIRS BUDGET.

BUREAU OF INDIAN AFFAIRS

OUR REVIEW OF THE NATIONAL BIA BUDGET SHOWS AN INCREASE OF $8.5 MILLION IN PROGRAM OPERATIONS. WHILE I AM SURE YOU MEMBERS OF THE COMMITTEE ARE PLEASED WITH THIS INCREASE AND THE DIRECTION OF MORE TRIBAL CONTROL OVER BUREAU RESOURCES - WE DO NOT KNOW HOW MUCH OF THESE FUNDS ARE INTENDED FOR ALASKA NATIVES. THESE FIGURES ARE NOT AVAILABLE TO US. AS FAR AS GREATER AMERICAN INDIAN AND ALASKA NATIVE CONTROL OVER RESOURCES THAT ARE APPROPRIATED- WE DO KNOW THAT OUR ABILITY IS GREATLY DECREASED BY THE PROPOSED BUDGET. IT IS A WELL KNOWN FACT WITH THE DEPARTMENT OF INTERIOR, THAT ALASKA NATIVES CONTRACT OVER 85% OF ALL THE BUREAU FUNDS THAT ARE AVAILABLE FOR US TO CONTRACT UNDER PUBLIC LAW 93-638.

THE $12.4 MILLION DOLLAR REDUCTION FOR ALASKA PROGRAMS WILL BE FELT THROUGHOUT THE STATE OF ALASKA, AFFECTING THOSE SMALL RURAL VILLAGES IN WHICH IT WAS INTENDED TO HELP. THESE SMALL NATIVE COMMUNITIES HAVE BEEN EXERCISING THEIR RIGHT TO CONTRACT UNDER P.L. 93-638 TO RUN PROGRAMS AND PROVIDE SERVICES FOR THEIR PEOPLE. THE SMALL COMMUNITIES WILL IN FACT HAVE TO RETROCEED THEIR CONTRACTS AND PROGRAMS BACK TO THE BUREAU - BECAUSE THE AMOUNT OF FUNDS AVAILABLE TO DO A GOOD JOB WON'T BE THERE.

LET ME GIVE YOU FOUR EXAMPLES. THE FIGURES USED IN THESE EXAMPLES ARE BASED ON FY85 PL 93-638 CONTRACTS, AS THE FY86 FIGURES ARE STILL BEING COMPILED.

EXAMPLES:

NATIVE VILLAGE OF TYONEK

FY85 CONTRACT OF $66,035 WILL BE REDUCED IN FY87 TO LESS THAN $38,238 DUE TO A 31% REDUCTION IN HIGHER EDUCATION FUNDS, A 51% REDUCTION IN DIRECT EMPLOYMENT FUNDS, AND A 45% REDUCTION IN ADULT VOCATIONAL TRAINING FUNDS. THE TOTAL FY87 IMPACT WILL BE A 58% REDUCTION IN FUNDS.

TANANA IRA NATIVE COUNCIL

FY85 CONTRACT OF $199,858 WILL BE REDUCED IN FY87 TO LESS THAN $135,000 DUE TO A 31% REDUCTION IN HIGHER EDUCATION FUNDS, A 100% REDUCTION IN ADULT BASIC EDUCATION FUNDS, A 24% REDUCTION IN TRIBAL OPERATION FUNDS: A 100% REDUCTION IN AGRICULTURAL EXTENSION FUNDS, A 23% REDUCTION IN SOCIAL SERVICES FUNDS, A 33% REDUCTION IN HOUSING IMPROVEMENT FUNDS, A 51% REDUCTION IN DIRECT EMPLOYMENT FUNDS, A 45% REDUCTION IN ADULT VOCATIONAL TRAINING FUNDS, A 100% REDUCTION IN AGRICULTURE FUNDS, AND A 100% REDUCTION IN WATER RESOURCES FUNDS. THE TOTAL FY87 IMPACT WILL BE A 33% REDUCTION IN FUNDS.

NATIVE VILLAGE OF KIANA

FY85 CONTRACT OF $5,668 WILL BE REDUCED IN FY87 TO LESS THAN $1,317 DUE TO A 33% REDUCTION IN HOUSING IMPROVEMENT FUNDS, A 51% REDUCTION IN DIRECT EMPLOYMENT FUNDS, A 45% REDUCTION IN ADULT VOCATIONAL TRAINING FUNDS, AND A 100% REDUCTION IN AGRICULTURAL EXTENSION FUNDS. THE TOTAL FY87 IMPACT WILL BE A 77% REDUCTION IN FUNDS.

EXAMPLE:

NATIVE VILLAGE OF NOORVIK

FY85 CONTRACT OF $23,559 WILL BE REDUCED IN FY87 TO LESS THAN $15,160 DUE TO A 33% REDUCTION IN HOUSING IMPROVEMENT FUNDS, A 5[illegible]% REDUCTION IN DIRECT EMPLOYMENT FUNDS, AND A 45% REDUCTION IN ADULT VOCATIONAL TRAINING FUNDS. THE TOTAL FY87 IMPACT WILL BE A 36% REDUCTION IN FUNDS.

WHEN WE REVIEWED WHAT INFORMATION WAS AVAILABLE ON THE PROPOSED FY87 BIA BUDGET, WE DISCOVERED THE $12.4 MILLION REDUCTION REALLY HIT HARD IN A NUMBER OF CATEGORIES. IN MY COMMENTS I WILL ADDRESS THREE CATEGORIES IN THAT BUDGET: EDUCATION, INDIAN CHILD WELFARE ACT AND CADASTRAL SURVEYS. THESE ARE BUT EXAMPLES OF REAL NEEDS THAT WILL BE NOT MET DUE TO THE PROPOSED CUTS.

EDUCATION

THE PROPOSED FY87 BUDGET INCLUDES A 31% REDUCTION IN COLLEGE STUDENT ASSISTANCE AND A 100% REDUCTION IN ADULT EDUCATION. THE $[illegible] MILLION CUT IN EDUCATION (EXCLUDING VOCATIONAL EDUCATION), HURTS ALASKA NATIVES AT A TIME WHEN WE NEED EDUCATED ALASKA NATIVES MORE THAN EVER. THE REDUCTIONS WILL AFFECT ALL PL93-638 CONTRACTORS, SINCE 87% OF THE CURRENT PROGRAM IS UNDER CONTRACT. THE SCHOLARSHIP REDUCTION WILL AFFECT AT LEAST 370 ALASKA NATIVE STUDENTS - ONLY 750 ALASKA NATIVE STUDENTS WOULD BE ABLE TO RECEIVE SCHOLARSHIPS.

THE ALASKA POPULATION OVERVIEW FOR 1983 POINTS OUT, "ALASKA'S POPULATION IS, ON THE AVERAGE, ONE OF THE BEST EDUCATED POPULATIONS IN AMERICA." ALASKA RANKS FIRST IN THE PROPORTION OF ADULTS WHO HAVE COMPLETED HIGH SCHOOL AND THIRD IN THE PROPORTION OF ITS POPULATION THAT ARE COLLEGE GRADUATES. THE WHITE POPULATION OF ALASKA WHO HAVE COMPLETED COLLEGE REPRESENTS 24.4% OF THE POPULATION COMPARED TO 17.1% NATIONWIDE. BY CONTRAST, " ONLY 3.5% OF THE ALASKA NATIVE POPULATION HAS COMPLETED COLLEGE, COMPARED TO 7.7% FOR NATIVE AMERICANS NATIONWIDE."

THESE FIGURES, ALONG WITH THE 1980 CENSUS FIGURES ON EDUCATIONAL ATTAINMENT OF ALASKA NATIVES, WHICH IS ATTACHED, SHOWS THE CRITICAL NEED TO DIRECT RESOURCES INTO BOTH ADULT EDUCATION AND COLLEGE SCHOLARSHIPS FOR ALASKA NATIVES. (SEE ATTACHMENT A)

THE FY87 TENTATIVE FUNDING FOR SCHOLARSHIPS IS $3,315,800. THE PROPOSED REDUCTION IS $1,002,000 OR 31%. AFN URGES THE CONGRESS AND THE ADMINISTRATION TO REJECT THIS PROPOSED BUDGET CUT.

THE FY87 TENTATIVE FUNDING FOR ADULT EDUCATION IS $497,000. THE PROPOSED REDUCTION IS 100%. AFN URGES THE CONGRESS AND THE ADMINISTRATION TO REJECT THIS PROPOSED BUDGET CUT.

ANOTHER AREA I WANT TO COMMENT ON IS THE REDUCTION IN FUNDS FOR IMPLEMENTATION OF THE INDIAN CHILD WELFARE ACT IN ALASKA. THE FY87 TENTATIVE FUNDING FOR ICWA IS $710,000. THE PROPOSED REDUCTION IS 100%. AFN URGES THE CONGRESS AND ADMINISTRATION TO REJECT THIS PROPOSED BUDGET CUT. THE U.S. CONGRESS IN THE PROVISIONS OF THE 1978 INDIAN CHILD WELFARE ACT, CLEARLY ACKNOW-

LEGED THE JURISDICTION AND RESPONSIBILITY OF TRIBAL GOVERNMENTS TO DECIDE CHILD WELFARE CASES AND ARRANGE FOR TRIBAL FOSTER CARE FOR CHILDREN IN NEED OF SUCH CARE. MANY ALASKA VILLAGE COUNCILS ARE HINDERED FROM EXERCISING THEIR JURISDICTION OVER CHILD PROTECTION AND PLACEMENT BY THE STATE'S RELUCTANCE TO RECOGNIZE THE LEGITIMATE AUTHORITY OF NATIVE COUNCILS. NOTIFICATION OF CASE DEVELOPMENTS, WILLINGNESS OF SOCIAL WORKERES TO COOPERATE WITH VILLAGE COUNCILS, AND GENERAL KNOWLEGE OF THE ICWA VARY WIDELY ACROSS THE STATE. THIS VARIANCE WITHIN SOCIAL SERVICE AGENCIES, AND THE STATE COURTS WHO MAKE DECISIONS ABOUT CUSTODY OF NATIVE CHILDREN MAKE IT VERY DIFFICULT FOR NATIVE COMMUNITIES TO TAKE CARE OF CHILDREN IN NEED.

NATIVE PARENTS, EXTENDED FAMILY MEMBERS AND NATIVE COUNCILS' ABILITY TO PARTICIPATE IN THIS PROCESS IS FURTHER HINDERED BY LACK OF FUNDING FOR LITIGATION. APPROXIMATELY 90% OF THE CIVIL LITIGATION BETWEEN ALASKA NATIVES AND THE STATE INVOLVE CHILD CUSTODY. BY CHILD CUSTODY, WE DO NOT MEAN DIVORCE SITUATIONS, RATHER WE ARE TALKING ABOUT FORCED REMOVAL OF NATIVE CHILDREN FROM THEIR FAMILIES AND COMMUNITIES BY THE STATE.

THE INDIAN CHILD WELFARE ACT WAS PREDICATED ON THE CONCEPT OF PROTECTING THE INTERESTS OF INDIAN CHILDREN, THROUGH PROMOTION OF SECURITY AND STABILITY OF INDIAN FAMILIES AND THEIR GOVERNMENTS AND BY THE ESTABLISHMENT OF MINIMUM FEDERAL STANDARDS FOR REMOVAL OF INDIAN CHILDREN FROM THEIR FAMILIES AND THEIR SUBSEQUENT PLACEMENT IN FOSTER OR ADOPTIVE HOMES.

THE PROPOSED FY87 REDUCTION IN FUNDING FOR IMPLEMENTING THE INDIAN CHILD WELFARE ACT IN ALASKA WILL HAVE VERY NEGATIVE IMPACT

ON NATIVE COMMUNITIES LEARNING ABOUT THEIR RIGHTS UNDER ICWA AND DEVISING SOLUTIONS TO THE FORCED REMOVAL OF THEIR CHILDREN FROM THEIR COMMUNITIES.

AFN URGES THE CONGRESS AND THE ADMINISTRATION TO REJECT THE PROPOSED BUDGET CUT UNDER THE CATEGORY OF THE INDIAN CHILD WELFARE ACT.

THE THIRD AND LAST ITEM I WILL COMMENT ON DIRECTLY IN THE PROPOSED FY87 BUDGET DEALS WITH CADASTRAL SURVEYS. THE BUREAU PROPOSED AN INCREASE OF $2,538,000. FY86 HAD NO FUNDING FOR CADASTRAL SURVEYS. AFN IS NOT OPPOSED TO HAVING FUNDING FOR CADASTRAL SURVEYS IN THE BUREAU BUDGET, IN FACT AFN STRONGLY FEELS THAT THE SURVEYING OF NATIVE ALLOTTMENTS ARE THE KEY TO LAND ISSUES IN ALASKA, AND MUST BE RESOLVED BEFORE FINAL CONVEYANCE CAN BE ACHIEVED BY OTHER LAND OWNERS.

OUR OBJECTION IS DEALING WITH A SURVEY PROBLEM IN THE BUREAU AT THE EXPENSE OF EDUCQTION, SOCIAL SERVICES, ETC. WE DO NOT FEEL THIS CAN BE CALLED A NUMBER ONE PRIORITY - IT IS LIKE MIXING APPLES AND ORANGES.

AFN URGES THE CONGRESS TO REJECT THE $12.4 MILLION REDUCTION IN ALASKA FOR FY87 AND DEVISE A FAIR AND EQUITABLE BUDGET.

(ATTACHMENT B $12.4 REDUCTION)

TABLE 1. EDUCATIONAL ATTAINMENT OF ALASKA NATIVES 18 TO 50 YEARS OLD, BY SEX, RACE, URBAN AND RURAL RESIDENCE, AND ENROLLMENT IN SCHOOL: 1980

STATE OF ALASKA	TOTAL	MALE								FEMALE							
		TOTAL	ELEMENTARY	HIGH SCHOOL		COLLEGE		PERCENT HIGH SCHOOL GRADS		TOTAL	ELEMENTARY	HIGH SCHOOL		COLLEGE		PERCENT HIGH SCHOOL GRADS
			0 TO 8 YEARS	1 TO 3 YEARS	4 YEARS	1 TO 3 YEARS	4 YEARS OR MORE			0 TO 8 YEARS	1 TO 3 YEARS	4 YEARS	1 TO 3 YEARS	4 YEARS OR MORE	
ALL AREAS															
ALASKA NATIVE.	29 608	745	3 079	3 149	6 341	1 776	400	57.8	863	2 907	3 068	6 637	1 786	465	59.8
18 YEARS	1 447	747	38	607	95	7	-	13.7	700	40	469	191	-	-	27.3
19 YEARS	1 566	775	63	380	310	22	-	42.8	791	23	278	459	31	-	61.9
20 YEARS	1 524	734	75	212	416	31	-	60.9	790	59	194	471	66	-	68.0
21 YEARS	1 360	688	43	184	406	51	4	67.0	672	36	157	380	99	-	71.3
22 YEARS	1 322	688	60	199	376	53	-	62.4	634	30	143	375	78	8	72.7
23 YEARS	1 254	589	38	92	345	108	6	77.9	665	49	151	345	106	14	69.9
24 YEARS	1 380	595	51	102	355	77	10	74.1	785	60	167	430	122	6	71.1
25 YEARS	1 289	575	39	122	326	85	3	72.0	714	39	150	341	148	36	73.5
26 YEARS	1 090	538	39	81	335	78	5	77.7	552	33	89	256	141	33	77.9
27 YEARS	1 173	614	46	74	353	113	28	80.5	559	50	70	298	118	23	78.5
28 YEARS	1 044	552	58	72	320	80	22	76.4	492	57	97	242	73	23	68.7
29 YEARS	1 140	550	60	51	338	90	11	79.8	590	52	78	318	86	56	78.0
30 YEARS	1 090	566	79	78	300	94	15	72.3	524	56	76	227	128	37	74.8
31 YEARS	1 071	492	57	66	259	86	33	75.0	579	72	90	314	79	24	72.0
32 YEARS	725	359	52	55	160	73	19	70.2	366	47	29	203	68	19	79.2
33 YEARS	812	406	72	41	177	72	44	72.2	406	72	62	169	71	32	67.0
34 YEARS	722	347	54	47	160	76	10	70.9	375	120	59	150	39	7	52.3
35 YEARS	798	409	94	82	133	81	19	57.0	389	107	46	168	41	27	60.7
36 YEARS	770	398	113	53	155	53	24	58.3	372	140	41	119	59	13	51.3
37 YEARS	711	361	135	48	100	62	16	49.3	350	125	43	128	52	2	52.0
38 YEARS	620	314	137	42	67	49	19	43.0	306	96	42	101	19	18	54.9
39 YEARS	624	342	132	40	110	53	7	49.7	282	104	51	98	23	6	45.0
40 YEARS	576	246	96	14	63	58	15	55.3	330	110	83	133	4	-	41.5
41 YEARS	597	328	107	39	126	35	21	55.5	269	105	34	100	23	7	48.3
42 YEARS	617	341	155	55	96	32	3	38.4	276	119	43	83	29	2	41.3
43 YEARS	629	349	124	44	113	48	20	51.9	280	106	55	93	17	9	42.5
44 YEARS	491	239	130	32	60	17	-	32.2	252	117	40	77	10	8	37.7
45 YEARS	551	274	137	63	42	21	11	27.0	277	150	17	96	11	3	39.7
46 YEARS	539	253	167	23	35	20	8	24.9	286	130	59	78	6	13	33.9
47 YEARS	669	328	175	53	59	21	20	30.5	341	207	45	46	20	13	26.1
48 YEARS	453	228	133	22	60	10	3	32.0	225	116	36	57	10	6	32.4
49 YEARS	499	249	154	35	48	12	-	24.1	250	151	43	51	-	5	22.4
50 YEARS	455	271	166	41	52	8	4	23.6	184	129	31	10	9	5	13.0

UNPUBLISHED DATA
Source: Department of Commerce
Bureau of the Census
Washington, D.C. 20233

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Attachment A

INDIAN HEALTH SERVICES

THE LAST SECTION OF MY TESTIMONY WILL FOCUS ON THE IMPACT OF RECENT ACTIONS PROPOSED BY THE ADMINISTRATION WHICH WILL ADVERSELY IMPACT DELIVERY OF BASIC HEALTH CARE SERVICES TO ALASKA NATIVES.

THE IMPACT OF GRAMM-RUDMAN ON THE IHS BUDGET FOR FY86 WILL BE LESS SEVERE THAN ON THE BIA BUDGET. WE ARE PLEASED THAT CONGRESS LIMITED THE IHS BUDGET REDUCTION TO 1% OF THE FUNDS PROVIDED FOR IN THE FINAL CONTINUING RESOLUTION FOR FY86 AND IS LIMITED TO 2% FOR FY87.

OUR REVIEW OF THE BUDGETS NOW UNDER CONSIDERATION INDICATES THE GREATEST THREAT TO IHS ACTIVITIES ARISE FROM THE ADMINISTRATION'S PROPOSED MASSIVE RESCISSIONS OF FY86, EVADING THE LIMITATIONS IMPOSED BY GRAMM-RUDMAN.

PRELIMINARY FIGURES INDICATE THAT THE PROPOSED RECISSION WILL ELIMINATE THE $3 MILLION PLANNING FUNDS FOR THE ALASKA NATIVE MEDICAL CENTER IN ANCHORAGE: THE $1.99 MILLION PLANNING FUNDS FOR THE KOTZEBUE SERVICE UNIT: AND THE $4.2 MILLION FUNDS FOR THE BRISTOL BAY QUARTERS FOR THE RECENTLY CONSTRUCTED $20 MILLION HOSPITAL AT KANAKANAK. THE PRELIMINARY FIGURES ALSO INCLUDE ALASKA REDUCTION OF $1.15 MILLION FOR HOSPITALS & CLINICS; $420,0000 FOR CONTRACT CARE: $1.88 MILLION FOR COMMUNITY HEALTH REPRESENTATIVES: AND $250,000 FOR TRIBAL MANAGEMENT. THE TOTAL AMOUNT WHICH IS INDICATED TO BE LOST IN THE FY86 BUDGET IN ALASKA IS $12.8 MILLION PLUS THE APPROXIMATE $1.8 MILLION DUE TO GRAMM-RUDMAN.

THE ALASKA FEDERATION OF NATIVES TAKES EXCEPTION TO THE ADMINISTRATION'S POSITION THAT THE FY86 BUDGET REQUEST, INCLUDING THE PROPOSED RECISSION WILL PERMIT IHS TO MAINTAIN IT'S CURRENT LEVEL OF HEALTH SERVICES. THIS WILL NOT BE TRUE.

IT IS OUR STRONGEST FEELING IF CONGRESS MEANT WHAT IT SAID IN GRAMM-RUDMAN, IT WILL NOT AGREE TO FURTHER CUTS IN IHS. CONGRESS SHOULD ALLEVIATE THE CONCERNS WITH RECISSION, AND THE PROBLEM OF CURRENT YEAR FUNDING WHICH WILL BE FROZEN, PENDING THE OUTCOME ON THE RECISSION PROPOSAL, BY REJECTING THE RECISSION QUICKLY.

ANYTHING LESS WILL MAKE A MOCKERY OF YOUR DELIBERATIONS WHICH LEAD TO THE EXEMPTION IN THE GRAMM-RUDMAN FOR THE INDIAN HEALTH SERVICE.

THE POLICY ISSUE OF PENALIZING TRIBALLY CONTRACTED IHS HEALTH FACILITIES BY REDUCING THEIR BUDGETS, DOLLAR FOR DOLLAR, FOR THIRD-PARTY PAYMENTS ALSO NEEDS TO BE REJECTED. INSTEAD, THE TRIBALLY CONTROLLED IHS HEALTH PROVIDERS SHOULD BE COMMENDED FOR FORGING COALITIONS WITH THIRD-PARTIES, SUCH AS STATE AGENCIES OR PRIVATE FUNDING SOURCES TO USE ALL THE INSTITUTIONS AND RESOURCES THAT COULD BE MADE AVAILABLE - AS TOOLS - TOOLS TO PROVIDE A BETTER HEALTH SERVICE FOR OUR NATIVE PEOPLE.

IF YOU DON'T REJECT THE DOLLAR FOR DOLLAR CONCEPT ON THIRD-PARTY PAYMENTS - YOU CAN WATCH HOW QUICKLY THESE SOURCES OF FUNDS WILL DRY UP - AND THE PEOPLE WHO WILL BE HURT WILL BE THE NATIVE PEOPLE.

IT IS IMPORTANT FOR YOU MEMBERS OF CONGRESS TO BE AWARE OF THE REAL LIFE IMPACTS OF YOUR DECISIONS. THE ENVIRONMENT IN WHICH ALASKA

NATIVES FIND THEMSELVES IS CHANGING SO RAPIDLY THAT IT IS IMPOSSIBLE TO WEIGH THE IMPORTANCE OF THE MYRIAD OF POTENTIAL FACTORS WHICH MAY AFFECT THE HEALTH AND WELFARE OF THE ALASKA NATIVE POPULATION.

A RECENT RURAL HEALTH STUDY IN ALASKA CONCLUDED THAT 85% OF THE SERIOUS ILLNESS AND DEATHS IN RURAL ALASKAN COMMUNITIES ARE ATTRIBUTABLE TO INCIDENTS WHICH ARE PREVENTABLE. THE FOCUS FOR YOUR DELIBERATIONS SHOULD BE ON CONTINUING THE CURRENT LEVEL OF SERVICES, INCLUDING A STRONG COMPONENT OF PREVENTATIVE HEALTH CARE.

THE ALASKA NATIVE HEALTH BOARD, WHICH IS AFN'S STANDING COMMITTEE ON HEALTH ISSUES HAS SUBMITTED TESTIMONY WHICH I WOULD LIKE TO BRING TO YOUR ATTENTION. ALSO, I HAVE WITH ME SEVERAL INDIVIDUALS WHO HAVE RESPONSIBILITY IN ALASKA FOR TRIBAL CONTRACTING OF IHS FACILITIES, WHO HAVE SOME SPECIFIC CONCERNS THEY WOULD LIKE TO COMMENT ON.

IF YOU HAVE ANY QUESTIONS, I WOULD BE PLEASE TO RESPOND EITHER AT THIS HEARING OR IN WRITTEN FORM FOLLOWING THE HEARING. THANK YOU.

FRIDAY, MARCH 7, 1986.

MODEL DIABETES

WITNESS

RAYMOND KEUHNE, NATIONAL DIABETES ADVISORY BOARD

Mr. **YATES**. National Diabetes Advisory Board. Your statement may be made a part of the record. Tell us what you want. You want money?

We have met with you over the last few years, and you have done a very good job. The board is set up to review the area of diabetes totally?

Mr. **KEUHNE**. We don't, but often focus has been on the fact that there is a high rate of diabetes among Indians in the Southwest. The fact is now that it has become obvious that there are tribes with more than 20 percent of the adults having diabetes in states as far flung as Arizona, Nevada, Oklahoma, Florida, North Carolina and New York. This is not a problem limited to those areas.

Mr. **YATES**. What do you propose to do about it?

Mr. **KEUHNE**. In previous testimony, we had asked for expansion of the model diabetes care program, which initially was five sites. Two years ago, you expanded that to seven. The two additional sites are in Maine and in Washington, and those are just getting started now, and we appreciate that.

Also, as an example of what can be done in 1985, you also provided a small additional amount of money to purchase laser equipment, which is needed in the treatment of diabetic retinopathy, in order to prevent blindness. The problem was that technology was there, but the equipment wasn't there, and IHS was having to send their people out. If they were getting treatment at all, they were going out of the system to get it on a contract basis. There are no funds for it. Two years ago, you provided some funds for that.

Mr. **YATES**. How much is needed?

Mr. **KEUHNE**. About $60,000 apiece. Equipment is now being located in New Mexico and in Phoenix. I would like to indicate to you that in the first year in the use of that equipment, the cost has already been recovered in savings to the IHS from the use of that equipment.

What we would like to bring to your attention today is the fact that the model programs have progressed to a point where we are able to identify some additional centers that could be expanded now out into the rest of the IHS system. We have four specific recommendations that we would like to make at this time.

First, that Indian Health Service establish diabetes control officers in each of the administrative regions, a full-time person. This concept has been used before for TB and other diseases, a full-time person who is able to coordinate the activities in the other service units, be the expert in that area, to train the local teams and to coordinate data collection and analysis identifying where the problems are, and preparing the site to deliver better diabetes care in order to prevent the complications that arise.

Second, to develop screening, detection and care programs, focused toward diabetes in all of the service units, not at the level of the model care sites, but to organize a comprehensive diabetes care team using the information that has been developed at the model sites, and to perhaps initially start up 25 of those sites in each year.

Third, to strengthen the current model diabetes care program, a few additional personnel are needed at the Headquarters level which is at Albuquerque for this program, for example a health educator, nutritionist and data analyst to give some assistance to the other units as they try to move into better diabetes care programs.

Fourth, if possible, it would be useful to establish a model diabetes care project in a couple of additional sites in addition to the seven that are there. Places that have been suggested include Montana, Minnesota, the Navajo reservation, perhaps, or Alaska as possible sites.

You may be aware that the Senate Select Committee on Indian Affairs is currently considering legislation to strengthen and expand the model diabetes care program.

Mr. YATES. It is wonderful except I hope they can get it by the Senate Budget Committee.

Mr. KEUHNE. I do, too. The recommendations that I present to you today are largely reflected in that legislation.

Mr. YATES. Good.

Mr. KEUHNE. In summary, we recommend that the Congress increase the budget for this program from $1.9 million to $2.9 million in the current year.

Mr. YATES. You had better talk to Mr. LaPointe.

Mr. KEUHNE. I would be glad to do that. Thank you, Mr. Yates.

[The statement of Gerald M. Reaven follows:]

STATEMENT OF GERALD M. REAVEN, M.D., CHAIRMAN

NATIONAL DIABETES ADVISORY BOARD

Submitted to the Subcommittee on Interior and Related Agencies
U.S. House of Representatives

Recommendation of $2.9 Million for the
Model Diabetes Health Care Program, Indian Health Service,
for Fiscal Year 1987

The National Diabetes Advisory Board was created by Congress to review, evaluate, and report on national diabetes-related activities. In previous testimony before this subcommittee, we described the extent of diabetes and its complications among American Indian people. Whether expressed in terms of prevalence, morbidity, premature mortality, or economic impact, diabetes among American Indians is significantly more severe than in other U.S. population groups. Diabetes occurred quite infrequently in this population 50 years ago, but the diagnosis of diabetes had become progressively more common by the 1960's. Today, diabetes in some tribes has achieved epidemic proportions. A startling 50 percent of Pima Indians over age 35 have diabetes, and prevalence rates greater than 20 percent among adults have been reported in several tribes in Arizona, New Mexico, Nevada, Oklahoma, Florida, North Carolina, and New York.

The serious complications of this disease are increasing in frequency among American Indians, especially renal failure, amputations, and blindness. The costs of managing diabetes and its complications also are increasing rapidly.

- The treatment for renal failure—kidney dialysis or transplantation—is particularly expensive. The annual cost of treating the current patient population of American Indians with chronic renal failure exceeds $10 million.
- American Indians with diabetes account for approximately 75 percent of all amputations within the IHS health care system. The annual hospital-related costs alone of these amputations exceed $3 million, exclusive of the cost of rehabilitation and/or disability.

Prevention and treatment strategies are available to reduce the rate and severity of these and other complications of diabetes. Diabetes specialists familiar with the American Indian population have recommended implementing these strategies without delay to reduce the associated economic and social costs.

In previous testimony before this subcommittee, we described the Model Diabetes Health Care Program operated by the IHS. We are very appreciative that you provided funds in fiscal year 1985 to increase the number of model program sites from five to seven and to purchase laser equipment to treat diabetic retinopathy and prevent blindness. The equipment has been purchased and installed in Gallup, New Mexico and Phoenix, Arizona. The resultant cost savings have already exceeded the cost of the equipment.

The two new model program sites begun in fiscal year 1985 are in Maine and Washington. The original fives sites are at Fort Totten (North Dakota), Claremore (Oklahoma), Winnebago (Nebraska), Sacaton (Arizona), and Albuquerque (New Mexico). The project sites are chosen by the Indian Health Service to represent different types of IHS facilities and geographic issues.

Multidisciplinary teams have been established at each site to intensify preventive services and to develop a comprehensive diabetes care plan that includes routine screening for complications, patient education and nutrition counseling, and attention to related conditions such as hypertension, urinary tract infections, and foot care. Considerable progress has been made at these sites in delivering high-quality, culturally acceptable diabetes care.

The model sites serve only about 10 percent of the IHS population. Transfer of effective treatment strategies from the model sites to other service units has only begun. Requests for education, training, and assistance far exceed the available personnel and resources of the small core program staff. Although limited by financial restrictions, the program has begun modest but critical outreach activities. The Board believes that additional resources should be provided to accelerate this activity and reduce the rapidly growing rate of diabetes-related complications that threaten the future clinical and financial resources of IHS.

Future expansion of IHS initiatives against diabetes should address the following major challenges:

- How to reduce the future incidence of diabetes in this high-risk population.
- How to effectively treat the rising number of patients newly diagnosed with diabetes in order to reduce future complications.
- How to prepare all IHS service units to effectively treat the long-term complications of diabetes already evident in this population.

The IHS diabetes initiative is being coordinated by the Diabetes Program headquarters staff, located in Albuquerque, New Mexico. The current budget for this small program is $1.9 million. This program must be expanded to address the growing health problem that is becoming a major economic burden for the Indian Health Service. The Board recommends increasing the funding for this program from $1.9 million to $2.9 million in fiscal year 1987. Additional personnel positions also are needed to implement the expanded program. The additional funds will be needed for the following specific initiatives:

- Establish diabetes control officers in each IHS administrative area-- the value of full-time control officers to conduct training programs, provide consultation on management of diabetes patients, and coordinate data collection and analysis has been proven in other IHS disease prevention programs.

- Develop improved diabetes screening, detection, and care programs at all service units--funds for initial start-up expenses should be provided for 20-25 service units per year.

- Strengthen the model diabetes care program--additional personnel (a nutritionist, health educator, and data analyst and clerical support) are needed for the Albuquerque headquarters office to assist other service units and Community Health Representatives to develop local diabetes activities.

- Establish additional model projects--additional projects are needed in Montana, Minnesota, and Alaska and on the Navajo and Papago reservations.

The Sentate Select Committee on Indian Affairs is currently considering legislation to expand and strengthen the IHS diabetes program. The above recommendations of the Board are reflected in reports and legislative provisions being considered by the committee.

In summary, the Board recommends that Congress increase the budget for the Model Diabetes Care Program of the IHS from $1.9 million to $2.9 million in fiscal year 1987.

FRIDAY, MARCH 7, 1986.

BLACKFEET TRIBE

WITNESS

EARL OLD PERSON

Mr. YATES. The Blackfeet Tribe. Is Mr. Old Person here yet? Mr. Old Person's statement may be made part of the record.

[The information follows:]

TESTIMONY OF EARL OLD PERSON
CHAIRMAN, BLACKFEET INDIAN TRIBE

SUBMITTED TO

HONORABLE SIDNEY R. YATES
CHAIRMAN, SUB-COMMITTEE ON
INTERIOR, COMMITTEE ON
APPROPRIATIONS

MARCH 6, 1986

Honorable Chairman, my name is Earl Old Person, Chairman and Chief of the Blackfeet Indian Tribe. On behalf of the Blackfeet Indian people, I am here to testify today to you and members of the Sub-Committee on Interior and Committee on Appropriations, concerning the forgotten Blackfeet Indian People.

As the U. S. Government squabbles over how to apply the reductions in the federal budget, I see this much more than a squabble, I see the effects on my people. I must remind you that in exchange for land, the U. S. Government ratified treaties with the Blackfeet Indian People promising health care, education, social service programs, housing, agricultural services, protection and peace.

I want to tell you a story about what these devastating federal budget cuts means to my people, the Blackfeet Indian Tribe located in northern Montana.

The economic conditions that the Blackfeet Tribe has been experiencing cannot be overstated. Our main source of revenue, oil and gas has been bottoming out over the past few years, one needs only to pick up the newspaper to be aware of the fall in the price of oil. The Blackfeet Indian Tribe depends on agricultural revenue as its second highest source of revenue, but we have had drought conditions over the past years, which have now resulted in collections of only 40% of our normal collections on the Tribe's grazing and farming lands. Until we can achieve alternate scurces of revenue such as tribal taxation we have no alternative but to look to you for survival of the Blackfeet People in the following areas:

HEALTH - The Blackfeet Tribe is greatful with the past help of this committee in obtaining the Blackfeet Community Hospital. But due to the federal budget cuts we are faced with a very critical unmet health need. This need is for additional professional medical staff to operate the new hospital. To meet the health needs of the Blackfeet people, the Tribe is requesting an increase of 39 staff positions from Congress for FY87. In a Program Information Document completed in 1981 the staffing summary lists an additional 117.5 positions to operate the hospital properly. However, only 57 new positions were identified to open the hospital. This request was further reduced to only 39 positions by the Federal Government. This reduction in planned staffing creates many problems in that the space and equipment have been provided to meet the Blackfeet Indian Population health needs, but the needed staff to operate it in an efficient and effective manner has not been provided. Our request to you today is not for the 117.5 positions needed, but for the at least a total of 87 very badly needed positions, 39 of which we are requesting in the FY87 budget. Our Community Health Representatives Program has been completely zeroed out for FY87. This program provided Direct Patient Care, Preventative Health Care and Rehabilitation Health Care Services. This Program enhances the delivery of health and social services to the Blackfeet People through patient advocacy including the provisions of bilingual assistance and cross cultural perceptives. The loss of this program places an unwarranted burden on an already over-worked hospital staff.

EDUCATION - The Blackfeet Tribe, Public School Districts and the Blackfeet Community College has numerous educational and cultural programs that receive federal funds. These funds are critical to our effort to provide the basic education possible to the Blackfeet people and our community. Our ability to generate the financial resources necessary to meet this challenge is heavily dependent of federal assistance.

We must also note that the Browning High School located on the Blackfeet Indian Reservation was constructed for a maximum capacity of 300 students, today's enrollment is 400 students. Approximately 150 Blackfeet High School Students attend off Reservation (out-of-state) B.I.A. Boarding Schools and this years elementary school had an increase of 50 students. Thus, our permanent high school enrollment could increase even more dramatically depending on the Bureau of Indian Affairs current policies regarding the discontinuance of boarding schools. We are strongly requesting assistance in school construction and continuance of boarding schools to meet our needs.

The proposed transfer of the Johnson O'Malley Program to the Department of Education is strongly opposed by the Blackfeet Tribe. The Blackfeet Tribe firmly contends that the Johnson-O'Malley Program must remain within the Bureau of Indian Affairs (Interior Department) under the present Federal Rules and Regulations governin this program. The Blackfeet Tribe also contends that the sole purpose of the transfer is to eliminate the Johnson-O'Malley Program and the elimination of this program will have a devasting affect on Indian children's opportunity for an equal educational opportunity.

Higher Education is a more efficient way to assist our people in achieving self sufficiency, but each year we have experienced a reduction in funding which has resulted in less and less Blackfeet Indians attending college. With our present funding we are only able to serve 152 students which will be reduced to 106 with proposed FY87 funding. This has resulted in over 200 talented students not being able to attend college. One goal which the Blackfeet Indian Tribe has set is to eventually be able to staff the aforementioned hospital with Blackfeet Indian doctors, nurses, etc., but how will this ever be accomplished with the heavy reductions we are experiencing.

SOCIAL SERVICE - Cut backs will greatly affect our already depressed economy. Eight out of the ten major employers on the Blackfeet Indian Reservation depend on Federal Funds for their subsistance. The proposed cuts would greatly affect these agencies and further increase the already high unemployment rate of 57%. With the reductions in General Assistance Welfare, Indian Child Welfare, and Elderly Programs, we will have no way of supporting families with food, shelter and utility needs.

HOUSING - The Blackfeet Reservation suffered the harshest weather conditions of any November on record in FY86, in January we suffered two wind storms with gusts in excess of 100 m.p.h.; during February we had snow accumulations of at least three feet and very frigid temperatures, this was followed by a warming trend which caused extensive flooding in all of our areas. As a result of all of this extreme weather conditions, extensive severe damage was done to homes, demolishment of trailer houses, resulting with at least 75 Indian homes in need of emergency repairs. With the loss of funding in FY86 in our Housing Improvement Program, we have no way of assisting these families. Our FY87 Blackfeet Housing Improvement Program is slated for more drastic reductions. With the Regan Administration reduction in future allocation for Indian Housing units to zero. At Blackfeet there is a desperate need for 500 houses, without consideration for future growth. We are requesting this committee to seek special allocations for the Blackfeet Tribe to assist in our housing needs.

ECONOMIC DEVELOPMENT - The need for economic development on the Blackfeet Reservation at this point in time is more crucial than ever. The recent decreases and planned future decreases in federal spending for employment and social programs has greatly impacted the reservation. Unemployment is increasing to an all time high. The latest BIA Labor force report indicates the unemployment rate at 57% during the month of April 1985.

The Blackfeet Tribe again would like to take this opportunity to request the assistance of Congress with regard to the Blackfeet Indian Writing Company. We are asking that the Fiscal Year 1987 Appropriations Act be amended to give the Buy-Indian Act procurement priority for all purchases by the Interior Department. Presently, the Industries for the Blind and Handicapped have federal procurement priority over all sources except the Federal Prison Industries.

The Blackfeet Tribe is not asking that the Blackfeet Indian Writing Company be given complete priority over the Blind and Handicapped in all areas of procurement. We are only asking that the Secretary of the Interior, as a trustee for Indian people, be allowed to purchase his writing instruments (pens, pencils and markers) from Indian-owned companies rather than from the Blind and Handicapped.

The Blackfeet Tribe made a similar request several years back.

However, negative response was given by the Department of Interior when it was asked for comment. We now renew our request. With the new leadership in the Interior Department and the increased emphasis on economic development, the Blackfeet Tribe is anticipating a more favorable response from the Department this time around. Your favorable consideration would be greatly appreciated.

The major barrier to economic development is lack of capital. With over half of the indigenous population below poverty level there is no individual capital for business investment or equity. The Blackfeet Tribal Government does have capital for investment, but with the cut backs to Indian Tribes over the past few years, the Tribes reserves has been drained providing its own social programs. This situation forces the Tribe to seek funds from grant sources to help fund new jobs that are deemed feasible.

The Blackfeet Tribe has used several federal sources for economic development in the past, all of which are slated for decreases or complete dismantelment. These programs include: Economic Development (EDA) - To be terminated; Small Business Administration (SBA) - To be terminiated; JTPA - Slated for a reduction; Department of Housing & Urban Development Programs: Community Development Block Grants (CDBG) - reduction; Urban Development Action Grants (UDAG) - slated to be terminated; SCS Discretionary Program - also to be terminated.

We are specifically requesting of this committee to strengthen the economic development program within Bureau of Indian Affairs.

BLACKFEET TAXATION - As you are now aware, hard time have fallen on many Indian Tribes, including the Blackfeet. Reductions in government assistance, sharply declining oil prices and a sagging farm economy have, along with other problems, created severe economic conditions on the Blackfeet Reservation.

In order to meet these trying times, the Blackfeet Tribe is attempting to raise revenues which are much needed to continue the delivery of essential services. Like all governments, the Blackfeet are looking toward inherit right to tax certain activities within the Blackfeet Reservation. In this regard the Blackfeet have proposed a Cooperative Revenue Sharing Agreement with the State of Montana of certain miscellaneous taxes in the areas of alcohol, cigarettes and gasoline excise taxes. The Blackfeet in no way intend to create an economically disadvantaged area of the Reservation through it taxation. The result of the Blackfeet tax plan will not be to increase prices; it will merely shift the flow of existing tax revenues from the State of Montana to both the Blackfeet Tribe and the State of Montana. The basis of the Tribe's action is of course the many federal court cases sustaining the right of Tribes to tax consensula commercial transactions engaged in within a reservation and involving an Indian or the Tribe. Only by supporting legitimate, cooperative efforts by Indian Tribes in exercising their taxing authority, can our mutual goal of self-sufficient and self-governing ever be attained. We ask your support and cooperation in our efforts.

Thank you.

FRIDAY, MARCH 7, 1986.

SOUTHWESTERN INDIAN POLYTECHNIC INSTITUTE

WITNESSES

DENISE WERITO, STUDENT SENATE PRESIDENT

DUANE YAZZIE, CHAIRMAN, BOARD OF REGENTS

Mr. YATES. Southwestern Indian Polytechnic Institute. Mr. Yazzie. Your statement may be made a part of the record. I take it she is a good student.

Mr. YAZZIE. She is our student body president.

Mr. YATES. Go ahead, Mr. Yazzie.

Mr. YAZZIE. We do appreciate the opportunity to be here this morning. I would like to introduce Denise Werito, the student body president. She will be making a short statement.

Mr. YATES. Go ahead, Denise.

Ms. WERITO. My name is Denise Werito. I am a Navajo from northern New Mexico. I am the Student Senate President at the Southwestern Indian Polytechnic Institute, SIPI, located in Albuquerque, New Mexico.

SIPI is the only vocational technical school in the United States that serves all 400 federally recognized native American tribes, including Alaska.

Mr. YATES. You are from SIPI, then?

Ms. WERITO. I speak on behalf of my fellow students at SIPI. We know that the key to becoming useful citizens, capable of competing in today's technological world, is education. Education means keeping abreast of new developments, techniques and products. SIPI is our vehicle to carry us into the future. SIPI needs funding for new equipment and funding to insure adequate staff and faculty.

You, the leaders of our Nation, can make our dreams become reality by putting your trust in our school, by giving it your full support.

We pledge to you that we will not deny your faith in us. We will work hard to prepare ourselves to be contributors to our great country and a credit to our heritage as native Americans. Again, we plead for your support, please do not let us down.

In all sincerity, I tell you this, the small amount of money that it costs you now to train us at SIPI will be paid back a thousand fold in taxes that we will pay from the jobs we will obtain, and it won't cost the Government one cent in welfare in later years.

Mr. YATES. Thank you very much.

Mr. YAZZIE. Congressman Yates, again thank you.

Mr. YATES. Thank you. Your statement is a part of the record. Tell us specifically, we know all about SIPI. We know how valuable it is. As a matter of fact, we kept you alive a couple of years ago when they wanted to transfer you. We think you do a very, very good job. I understand you to have one of the best equipped schools in the whole Southwest. Is your machinery breaking down now? What is it that you need that you don't have?

Mr. YAZZIE. Some of our equipment began with the school, which was 14 years ago.

Mr. YATES. That doesn't mean that it is no good.

Mr. YAZZIE. Supposedly, we are a state-of-the-art training institution.

Mr. YATES. Tell us what you need, then. Some of your machinery or your tools aren't very good?

Mr. YAZZIE. Mostly, we need new equipment in order to expand into different areas, computers, different trainee programs that we need to begin in order to meet the needs of the tribes.

Mr. YATES. How good are your students? How many of them get jobs when they come out of SIPI?

Mr. YAZZIE. Last year, we graduated 142 students, and our tracking system has placement at 80 percent.

Mr. YATES. That is pretty good.

Mr. YAZZIE. That is with employment and higher education. I would like to state a few things, to highlight from our statement. We realize the invaluable support this committee has given to our institution in previous years, and we hope that that will continue. We feel that, with all of the rhetoric that we hear among the Indian tribes with the Federal Government, we believe that the statements made by President Reagan wherein that Indian nations need to become self-sufficient, and so we believe in those ideals.

We believe that self-determination can be a reality for us, but for many of our Indian people, it is more of a utopian concept than for others. In order for us to reach that stage where we are truly self-sufficient, we need to train our young people in all of these technical areas so that we can compete.

[The statement of Duane Yazzie follows:]

BOARD OF REGENTS
SOUTHWESTERN INDIAN POLYTECHNIC INSTITUTE
P.O. BOX 10146-9169 COORS RD. N.W.
ALBUQUERQUE, NEW MEXICO 87184

STATEMENT OF DUANE YAZZIE, CHAIRMAN
BOARD OF REGENTS
SOUTHWESTERN INDIAN POLYTECHNIC INSTITUTE
BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES OF THE HOUSE APPROPRIATIONS COMMITTEE
FRIDAY, MARCH 7, 1986

It is a pleasure to be before the committee today, and I appreciate the opportunity to share a few thoughts with you on the subject of the Southwestern Indian Polytechnic Institute (SIPI) in Albuquerque, New Mexico. SIPI is unique in that it is the only Bureau of Indian Affairs (BIA) funded, all Indian technical vocational institute in the United States. It is also unique in that it has attracted an impressive level of support from the private sector - companies which need the skills taught at SIPI. SIPI succeeds in two (2) ways: it provides the means by which the American Indian, regardless of tribal affiliation or geographic residence, can gain highly technical skills in an environment which is sensitive to cultural background, and it provides industry with a pool of trained technicians from which they actively recruit.

SIPI's enrollment for this school year is approximately 500 students. We graduated 142 students last May for the 1984-85 school year. Over 80 percent of these graduates were immediately placed in jobs or continued higher education. Our graduates have been placed in numerous and diverse occupations throughout the country. A female marketing graduate is the Public Relations Director with the All Indian Pueblo Cultural Center in Albuquerque. The Ed Wal[illegible] Construction Company in Phoenix, Arizona, employs a female Data Processing graduate (a new training program initiated January 1984). The EG & G Company hired an Electronics graduate as a Materials Technician. An Optical Technology female graduate is working with Fred Reed Optical Company as a Lab Technician.

The above examples are a few of the many successes that SIPI has witnessed as graduates are rewarded with training related employment upon completion of their certificate programs.

Due to the support of this committee, SIPI has been able to remain open and continue training American Indians for vocational employment. This committee has also provided additional funding for the Institute; permitting the acquisition of critically needed equipment to keep training consistent with the needs of government, businesses and the tribes. Considering the nature of our economy and the rapid technological change in our society, however, updating of programs is a constant challenge and never ending process for vocational schools. Additional funding will be necessary to provide quality vocational training for American Indians at SIPI.

Also, spelling out future directions is essential to a vocational institute's survival and growth. Consequently, a long range plan is currently being developed that will reflect the vocational training needs of businesses and Indian tribes. The Institute has surveyed students, tribes and businesses to determine the demand that exists for particular types of vocational/technical training.

An analysis of the data collected indicates a number of programs areas needed by Indian tribes, but not currently offered by SIPI. They are construction, tourism, agriculture, medical programs and manufacturing.

The specific programs which could fall under the umbrella of construction include carpentry, masonry, plumbing, electrician, painter, cabinet makers, landscaping and heavy equipment.

The specific programs which could fall under the umbrella of tourism include museum assistant, public relations assistant and hotel management. With the 80 Indian-owned museums, the several dozen Indian tourist resorts, restaurants and hotels, and the few dozen outdoor dramas and related amusements, there is already an established industry active in Indian country.

Agriculture is one of the largest sectors of employment in the Indian country, ranging from cattle and livestock production to cranberry bogs to potato farming. Much of the ownership of agriculture and ranching in the Indian country is not in Indian or tribal hands, which stops or slows down the career of a budding agriculture worker from a reservation. But more and more, tribes are starting their own farming, ranching, greenhouse, cattle and livestock businesses. Programs included in this area are: soil and range management, silviculture, hydroponics, sea ranching, cattle head management, butchering and meat processing, and vegetable growing.

Medical programs are also a great need on most reservations, and SIPI is not conducting any medical technology training now. Such things as an LPN nursing program, or a medical technology/X-ray program are very possible.

Manufacturing was a high priority of most tribal respondents, and there are no current programs on the campus which would be useful in a manufacturing environment. But such certificate programs as welding, machinist and machine operators are possibilities.

The Board of Regents believes that SIPI is doing a good job of training American Indians for vocational employment, as evidenced by the above mentioned placement rates. We do feel, however, that additional funding is necessary and warranted, considering the dynamic nature of vocational education and the training needs of American Indian tribes.

Despite the student enrollment growth experienced by the school since 1978, our FY 1986 budget appropriation of $2,606,000 is $316,600 less than our $2,922,600, 1978 budget, which is too low to maintain quality vocational programs.

The Board feels that a $2,995,000 Instructional program budget for FY 1987 would enable the Institute to offer post-secondary vocational-technical education to American Indians and Alaskan Natives that is contemporary and future oriented. Training that meets both individual and tribal needs, while attracting major industries as bridges for gainful employment.

It is our goal to offer American Indians vocational education that is viable and of high quality so that SIPI is an attractive training ground for those who would rather earn their way through life. A place that enables American Indians to reach their full potential relative to employment and self sufficiency.

Again, we thank you for your continued support and the opportunity to speak before you today.

Sincerely,

Duane Yazzie, Chairman
SIPI Board of Regents

Mr. **Yates**. No question about it. Mr. Boyd spoke about self-sufficiency this morning. We are very much aware of it, and we hope to be helpful. Thank you very much for coming, and take back the regards of our committee to your student body. They have a wonderful representative.

Mr. **Yazzie**. Thank you, sir.

Friday, March 7, 1986.

LAC COURTE OREILLES TRIBE

WITNESS

ODRIC BAKER, TRIBAL CHAIRMAN, LAC COURTE OREILLES OJIBWA TRIBE, NORTHERN WISCONSIN

Mr. **Yates**. Lac Courte Oreilles. Good morning, Mr. Baker. Your statement may be made a part of the record. Tell us what it is that the Lac Courte Oreilles want.

Mr. **Baker**. Congressman, we are going to have an awful time talking about the needs and wants of the tribes on the basis of Gramm-Rudman.

Mr. **Yates**. That is true, but that shouldn't stop you from asking.

Mr. **Baker**. I want to concentrate on a couple of issues that I think are important. One is the contract support system that is in place. Indirect cost for new programming at the organizational level is desperately needed inasmuch as to deliver the services needed, such as the HIP program and the Chapter I school education program and Johnson O'Malley, which has already lost indirect cost, makes it very difficult for us to manage, in fact impossible to manage those programs. So it becomes essential that we continue to support the indirect cost concept, in order to keep tribal governments functioning, operating and in order to be a part of that delivery system.

The second thing I want to talk to you about is the problem we have with housing. We have got regulations which tell us that we must charge 30 percent of the family income for rent, but we have a situation where in 1969 and 1970, housing projects were real small cracker box type housing. They were very old and not very well constructed, but that is the program we had to live with.

A few years later, as HUD changed its programs, we were able to get five-bedroom units, full basements and garages. Now the same people in the same economic structure are paying the same money for two very different types of housing. Now we have got modular construction going on in the reservation. The expected life of those units is at 15 years. We are expected to pay them off in 40 years. I don't see how we can do that, but there is a desperate need for housing, which requires us to take them anyway.

Then we have got just modular housing with no basement, no garages. We have a situation where we have five-bedroom units with basements and garages, and the original units are small cracker boxes with very little space, and all we are being required to pay is 30 percent. I have run into an awful lot of complaints, and I guess I can't blame my people for complaining about that kind of disparity.

Mr. **YATES**. Is that all in your statement?

Mr. **BAKER**. Yes. I mention that in my statement.

Mr. **YATES**. We will go into that carefully. You make a very valid point.

Mr. **BAKER**. Congressman, thank you for your time.

[The statement of Odric Baker follows:]

TESTIMONY OF THE LAC COURTE OREILLES BAND OF
LAKE SUPERIOR CHIPPEWA INDIANS OF WISCONSIN
TO
THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON
INTERIOR AND RELATED AGENCIES
HONORABLE SIDNEY R. YATES, CHAIRMAN
WASHINGTON, D.C.
MARCH 6, 1986

Congressman Yates, and other members of the House Subcommittee on Interior and related agencies; my name is Odric Baker and I am the Tribal Chairman from the Lac Courte Oreilles Ojibwa Tribe in Northern Wisconsin. Our 80,000 acre federally-recognized reservation is the home of approximately 3,500 Ojibwa people.

My Tribal Council, and I have reviewed the proposed FY 87 Federal Budget Requests and recommend your subcommittee carefully consider and act positively on the following oversights which come to our attention concerning the continued development of self-sufficiency and enforcing of the federal trust responsibility of the Federal Government for the Lac Courte Oreilles Ojibwa Tribe and other federally-recognized tribes throughout the United States.

DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - EDUCATION

The Lac Courte Oreilles (LCO) Ojibwa Tribe has been contracting with the Bureau of Indian Affairs (BIA) since 1976 to provide elementary and secondary education to our children. We have approximately 100 elementary students and approximately 75 high school students. We have two school buildings on the reservation, one for 8-12 grades and one for K-7 (elementary). We desperately need a new elementary school. Our existing facility is an old remodeled factory building about 30 years old. It has been condemned by the IBA and a private architect as a fire hazard. We are curently on the priority list for a new school construction with the BIA. And we request again that appropriations in the amount of 6.1 million be set-aside for the design and construction of a new LCO Elementary School to accommodate 200 students.

The level of funding under Indian School Equalization Program (ISEP) formula predict an estimated reduction from $155,456,000 (FY 1986 Enacted to date) to $152,657,000 (FY 1987 Estimate) representing a reduction of $2,799,000. The initial estimate for FY 87 of $2,226 per Weighted Student Unit (WSU) can result in reductions of from 1.8% to 25%, representing reductions from $40.07 to $445.20 in the amount per Weighted Student Unit. Such reductions provide funding levels distrait with the quality of education for the 18% of the Indian children attending BIA/Contract Schools. The Weighted Student Unit amount should be more consistent with State and Local averages which are minimumly $3,000 per child. Therefore, we request the Weighted Student Unit to be increased to $3,000 per unit representing an increase of $156,975 through the Indian School Equalization formula for Tribal children attending the Lac Courte Oreilles School system. It is inconsistent that the Bureau of Indian Affairs is mandating the implementation of Minimum Academic Standards (25 CFR Part 36) while mandating reduction in formula funds.

The proposed change of funds transferring from the BIA to ED and from ED to BIA is a smoke screen. The proposed change of programs transferring $11.5M from the Department of Education to the Bureau of Indian Affairs appears on the surface to be consistent with the concept of Indian Self-Determination but to the Contract Tribal Schools it can only mean a smaller portion of the same pie. The JOM transfer from the BIA to ED to help with public school financing has serious implications upon the accountability of funds to Indian educators and infringes upon the strides made in Indian self-determination. We do not support either of these transfers.

DEPT. OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - NATURAL RESOURCES DEVELOPMENT

Presently, the Lac Courte Oreilles Consevation Department has a staff composed of (6) members. Their responsibility is to protect the reservation water, streams, timber stand, wildlife and fish, natural resources of plants and berries, this also includes the fish management goals and the wildlife management goals on the LCO Reservation.

In FY 87 the LCO Conservation Department staff will need to be expanded to (11) staff members. This is due to the tribes legal right to exercise its right to hunt, fish and gathering off the reservation encompassing the original territory of the Ojibwa tribe under treaties made with the Federal Government in 1837 and 1854. In 1983 the tribe accepted a position with the Great Lakes Fish and Wildlife Commission. This Commission was formed to handle the enforcement and Biological data surveys for the tribe. In the past (3) years the tribe has become disenchanted with the work of the Great Lakes Fish and Wildlife Commission and has voted to handle its own affairs off the reservation. With the additional staff of biologists and tribal wardens, we will be patroling off the reservation in the ceded territories while also assisting with fish and wildlife management goals of the LCO Reservation, as determined by wildlife and fish specialists. We recommend $322,000 be set aside from the GLIFWC appropriation for Lac Courte Oreilles.

The LCO Tribe has developed and is operating a Fish Hatchery Project. LCO is located in a numerous fresh-water lake area where sports fishing and recreation is a major economy during the summer months. One of the major activities of the State Conservation Department is to restock the lakes and streams each year. One of the primary purposes of the LCO Fish Hatchery is to restock the reservation lakes and streams with fish-eggs cultured in the hatchery. We recommend that the "Forestry and Agriculture" amount be increased by $300,000 to provide for the development of the LCO Fish Hatchery.

DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - INDIAN SERVICES

On November 4, 1981, the U.S. Congress authorized the Secretary of the Interior to disburse Lac Courte Oreilles Ojibwa tribal trust funds in accordance with H.R. 4894. The Secretary of Interior did indeed disburse $450,000 to off-set under-recovery (lost revenue) of indirect costs funds (general administration and overhead derived from federal grants and contracts on a carry-forward percentage rate) in the amount of $757,00 for FY 79, FY 80, and FY 81. In accordance with H.R. 4894, the Secretary of Interior must now reimburse the amount of $450,000 into the Trust Fund accounts of the LCO Tribe numbered 14x9228, and 14X9278 in the U.S. Treasury. Therefore, we recommend that the amount budgeted in FY 87 for Indian Services Contract Support be increased by $450,000 for LCO to offset trust fund support for the negative aspects of the Indirect Costs affecting our Tribe during FY 79-81

The Lac Courte Oreilles Tribal Court, pursuant to various Tribal Ordinances has jurisdiction in the area of domestic relations (divorces, annulments, adoptions, determination of paternity and support, custody of children, and change of name), child welfare (Indian Child Welfare Act), natural resources (both on and off Reservation), sale of tobacco products, and forest product harvesting. For fiscal year 1985, the Court's projected budget was $67,957. However, the Tribe was able to secure approximately $28,000 to meet the projected budgetary needs. The unmet needs included funds for securing the services of Guardian Ad Litem, additional associate judges and training for court personnel. Knowing that there is substantial interest in building and fortifying tribal courts, we request an additional $39,957 in support of our tribal court system for fiscal year 1987.

DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - SOCIAL SERVICES

The Lac Courte Oreilles Tribe strongly objects to the cuts in the Indian Child Welfare Act Grant Program. Although the BIA was mandated to make cuts of 4.3%, the actual cuts in the ICWA Program have resulted in a 55% decrease to cover deficits in general assistance and foster care payments, which in actuality saves the government approximately $150,000 per year preventing any unnecessary foster placements. Currently, we are operating on a budget of $37,165 for the fiscal year 85-86. If our program is cut 55%, we will be forced to operate on a yearly budget of $16,725. It would be impossible for us to continue to offer substantive services with this amount.

DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - INDIAN HEALTH SERVICE

Health Care and the delivery of health care services remain a major concern of the Lac Courte Oreilles Tribe. At present our health center is providing services to over 40 patients per day, but is funded at a level of support services to only 25 patients. The Indian Health Service estimates Lac Courte Oreilles service population as 1,618. During FY 86 alone, 2,740 individual patients were registered at our health center. This means our health center is underfunded by 75% in consideration of the service we are now actually providing.

The Lac Courte Oreilles Tribe requests receiving supplemental funds in the amount of $200,000 beginning in FY 87 to provide needed health care to its people. We would hope these funds could be provided through a Congressional add-on. However, we are also aware that the Indian Health Service will be reallocating funds during FY 87. We therefore ask that such a reallocation consider services provided and population served as a basis for allocation. Equity in distribution of Indian Health Service funds remain a major need and concern of the Lac Courte Oreilles Tribe.

There are also many issues regarding the future of federal health care on reservations that deeply concerns the Lac Courte Oreilles Tribe. First of all, we feel that Indian Health Service should be exempt from any cuts under the Gramm-Rudman-Hollings Bill. Limited sustained cuts in reservation health programs will impact measurably on the health status of our people at a time when we are only now beginning to meet these needs. Secondly, we strongly oppose any attempt to limit health services based on blood quantum or contract health service area determination of membership of a sovereign right of tribal government. We view these initiatives as administrative termination. Thirdly, we ask the congress to enact a catastrophic coverage bill for eligible American Indian patients. Our health proram can no longer continue to absorb these costs especially in consideration of the high motor vehicle accident rates on Indian reservations.

From a legislative standpoint, we urge the Congess to pass the amendments to the Indian Health Care Improvement Act as soon as possible. This legislation is of great importance to the future of our health programs. We also ask that the Congress not rescind or eliminate our Community Health Representative Program. On the Lac Courte Oreilles Reservation, this program provides nursing, optometric, audiological, nutrition, elderly and transportation services. Loss of these services would greatly deminish the level of health care we now provide to members of our tribe. As a self-determined tribe in health care, Lac Courte Oreilles wishes only the opportunity to provide for the health needs of its people in a quality manner. With congressional support for the activities and initiatives mentioned, we will continue to be able to do so.

DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN AFFAIRS - ECONOMIC DEVELOPMENT AND EMPLOYMENT

The result of reducing $340,000 from the Business Enterprise Development Program will be that of a negative impact upon the ability to make available equity capitol for fledgling enterprises as well as not being able to attract private sector investment capitol such that the net result will be reduction in tribal dependency upon the federal government. We believe that economic development is the key to self-sufficiency and recommend that a waiver from the PL-99-177 deduction be granted to the economic development and employment programs which include credit and financing. It's counter productive to do otherwise. If anything, we should be increasing the amount of funds to this portion of the Bureau budget.

In my closing comment, I want to draw attention to a very important problem facing Indian people with HUD housing. It has been the rule of Congress to impose or collect 30% of the family income as rents. We are finding that the rent levels totally drain the family budget and is grossly unfair because the 30% rate is collected on units that are small and very old, units that are large with full basements and garages and the newer construction of modular or trailer house design now being fostered by our HUD Program. We view it as being unfair to charge for old small units at the same rate as the larger units and these newer units. My special request to Congress would ask them to place sealings on rents at a much lower rate to allow for family survival. Unfortunately, on reservations there is no other housing and our problem remains that we are stuck with the housing that we have and cannot, as in large cities, seek rental units from private sources.

FRIDAY, MARCH 7, 1986.

CONSTRUCTION

WITNESSES

CARLOS SUNDERMANN, PRINCIPAL, TWO EAGLE RIVER SCHOOL
NEENA SWANEY, STUDENT
ROCKY AHLBORN, STUDENT

Mr. YATES. The Two Eagle River School. You are a long way from home.

Mr. SUNDERMANN. Good morning, Congressman.

Mr. YATES. Good morning to you. Your statement may be made a part of the record.

Mr. SUNDERMANN. Yes, sir.

Mr. YATES. Obviously these are two student leaders you have brought with you.

Mr. SUNDERMANN. These are our best students, Rocky Ahlborn, and Neena Swaney, the student body asked that they be here, and they have worked hard to raise money to get here.

Good morning, Mr. Chairman. I very much appreciate the opportunity to come before you on a matter of great importance to us on our tribal council and our school board.

Mr. YATES. Which tribe are you talking about?

Mr. SUNDERMANN. I am getting to that. My name is Carlos Sundermann, Principal of the Two Eagle River High School, Dixon, Montana, on the Flathead Indian reservation. I am here to request funds under the BIA school construction program for fiscal year 1987 in the amount of $2.5 million, the construction of our new school which is badly needed and is long overdue.

We have been number one on the BIA priority list for school construction for over two years now, and we still do not have a new school. Last year, the Congress did not approve new construction monies for the BIA for the first time since World War II. We have presented extensive documentation in past years about the sad state of disrepair of our aging facility. It is a matter of public record that our facility has been condemned since 1966.

Through negotiations with the BIA, we have agreed to a new site and to the use of partial pre-engineered metal construction, which will realize a savings of over $700,000. Our design will be ready in May of 1986. It is unlikely that there will be a supplemental appropriations bill for this year, and thus, we may have to wait yet another year.

Mr. YATES. When will your designs be through?

Mr. SUNDERMANN. By May 31st of this year.

Mr. YATES. You will be ready for construction then?

Mr. SUNDERMANN. Yes, we should be.

Mr. YATES. How much money do you need for construction?

Mr. SUNDERMANN. $2.5 million.

As an educator committed to excellence and quality in education, it is difficult for me to talk to my teachers about building the self-esteem of our students when our educational facility is inadequate, when dollars which could be used for educational supplies materials and equipment must go to maintenance, repairs and high utilities. We went without heat in one of our buildings when our 60-year old boiler was declared unsafe by the BIA. We are still freezing and repairs are endless. It is difficult to teach students the lessons of democracy and equal opportunity for all when they see the disparity in comparison to the rest of our society.

Our students spend about four hours on the bus to get to and from school because they want to learn and because it is a positive experience for them. I would like for you to hear from two of our students who have prepared very brief statements.

Mr. YATES. We will be very glad to hear from your students.

Mr. AHLBORN. My name is Rocky Ahlborn, I am a junior—

Mr. YATES. Speak up so everybody can hear you.

Mr. AHLBORN. My name is Rocky Ahlborn. I am a junior at Two Eagle River in Dixon, Montana. I am here to show my support for the construction of our new school on the Flathead reservation.

For starters, I would like to say there is need for an alternative school. Many kids get kicked out of public schools and can't go back, so their only alternative is to come to Two Eagle.

Mr. YATES. That is hardly a recommendation for Two Eagle, but go ahead.

Mr. AHLBORN. Essentially this is the only place they can get their education.

Some students come here because they fall behind in public schools, whereas at Two Eagle, they can work at their own pace. When you are pushed to do work you don't understand, you fall further behind. At Two Eagle, you are tested to see what level you are at, and then you are placed into classes that fit your abilities.

Each student comes to Two Eagle for their own reasons, but no matter what their reasons are for coming here, we still need a place for them to learn.

Now the classrooms are all cramped together. Most classrooms can't hold more than ten students. Some of the classrooms don't have doors, blackboards or bulletin boards. Classes are easily disrupted by other classes and students are easily distracted.

A new school would allow us to provide more students with the type of education that they didn't get in a public school for these reasons:

Number one: Could have more students per class with larger rooms. We could have a total capacity of 150, larger classrooms.

Number two: Classes wouldn't be interrupted by activities in the hall and other classes.

Number three: Would be able to serve more students.

Number four: The proposed location would attract more Kootenai students from the north end of the reservation who could benefit in receiving the quality of education that is offered at Two Eagle.

In closing, I think that a new facility would allow the teachers to do a better job and improve their class offerings, and their morale.

Thank you very much for extending this opportunity for us to appear before you.

Mr. **Yates**. Now we will hear from the other student.

Ms. **Swaney**. My name is Neena Swaney. I am a sophomore at Two Eagle River. The Flathead reservation has become over 83 percent non-Indian since 1904. As a result, Indians are now a minority on their own reservation. The public schools also contain a small percent of native American students. Indian student minority in public schools are treated accordingly and offered few alternative educational programs.

From my own experience, I felt they were not meeting the unique needs of Indian students in regards to their cultural heritage. I have personally witnessed discrimination against native American students from both teachers and other non-Indian students.

For example, I was an "A" student, but went unrecognized for my academic achievements, while my fellow non-Indian students were praised. Because of these and other reasons, most Indian students are not successful in public schools on the Flathead. They are either failed or drop-out before graduation.

TRS is the only school to meet the special needs of native American students. With a new school and a new location, we could attract and accommodate more Indian students. There will be better class offerings and improved classroom conditions.

I am confident that a new school will give us a sense of pride and self-esteem. I am asking you for an equal chance to meet the educational needs of our native American students.

Thank you.

Mr. **Yates**. Thank you very much. Very good statements all the way around. Give our regards to the students.

Mr. **Sundermann**. We will.

Friday, March 7, 1986.

CHEROKEE NATION

WITNESS

C. WILLIAM STEELER, EXECUTIVE DIRECTOR

WILLIAM K. DEW, DEPUTY CHAIRPERSON, HEALTH AND HUMAN SERVICES

Mr. **Yates**. Standing Rock Sioux Tribe.

The Cherokee Nation, Mr. Steeler. What are you going to do without Mr. Swimmer? Your statements may be made a part of the record.

Mr. **Steeler**. Thank you.

My name is Bill Steeler, Executive Director of the Cherokee Nation with responsibility for social programs. I am accompanied by Bill Dew, Director of Health and Human Services for the Cherokee Nation.

We have four or five very specific points we would like to cover in this brief period of time. First of all, we support the proposed formation of a new line item designed to give more management responsibility to the tribes, the tribal operations line item. It has the potential for resulting in substantial changes in the way we relate to the Bureau of Indian Affairs, very positive changes. However, as with any new program, not just the Bureau of Indian Affairs, but any bureaucracy has the potential for the end result not being what was intended.

The specific request is that the committee, or others who you feel would be more appropriate, exercise some oversight responsibilities on the implementation of that line item and how it is actually managed in the first year, and then we reconsider it next year.

Second, we, as noted, adamantly oppose transfer of the program of the Johnson O'Malley program. As I mentioned, our protestations surpass any feelings of possessiveness or anything else. It is based on history, what we have experienced over the past few years, and the way the JOM program was administered under the states originally.

Last year, the Bureau tried to eliminate it. It didn't work; we didn't, and you didn't go for it. This year, they have tried to eliminate it in a very indirect way. No offense, Mr. Swimmer.

The third point that we would like to make is, again we adamantly oppose the elimination of the CHR program, the urban health program. Let me give you a frame of reference, because I am not sure you always get that. The CHR program is an integral part of our system of delivering health care services. The mental health program that we have contracted from the Indian Health Service has very few practitioners, psychologists and mental health social workers, so we have to stratify the patients that we see by those that are able to be improved through counseling.

Is the counseling therapy going to have a positive effect? If it is not, then those people essentially are maintenance individuals, and the CHRs are an integral part of the services to them. They monitor their medication, participate with the psychologists and the day-to-day monitoring of the activities, and to eliminate that is to have an effect on the rest of our programs.

And the same thing is true in the programs where we directly provide medical care, et cetera. They are not simply a transportation system, which many within the administration seem to think, but are in fact an integral part of the way we deliver health care. To eliminate the urban health program in Tulsa is self-defeating because those people are going to travel to an area which is working in excess of capacity. It is over-taxed now and is exacerbating the problem of the service unit, and these are eligible individuals going to Tulsa right now. It is within the area of the service unit, so it is kind of silly to talk about eliminating that and trying to maintain services, as everyone talks about.

We appreciate your support in the continued funding of those two programs. A fourth point is that we would like to see more attention focused on how money gets from its appropriations committee to those in need, to the recipients of care, the bureaucracies, the structure of providing health services, HIP services, in the home improvement program, whatever, developed during the time of growth in the Federal bureaucracies. We are not in a growth mode any more obviously, and we think we need to re-think the entire process.

We would appreciate the committee taking the lead, working a lot with Congressman Mike Synar, on this. He is interested in rethinking it. We need to sit down and talk about it specifically.

Mr. YATES. What does that mean?

Mr. STEELER. Let me give you some specific examples. Look at the bureaucracy itself. In Oklahoma, we have a personnel office at Anadarko, Muscogee, and Oklahoma City that deals with the Indian Health Service. OPM governs personnel actions in the Federal Government. Why do we have three offices? Why do we have three accounting systems or points, two systems? The accounting is really accounting.

As an ex-CPA, I would argue the point that there is that big a difference between the Indian Health Service accounting appropriations and the Bureau of Indian Affairs accounting appropriations. Why can't we sit down and talk about some efficiencies that can be learned by bringing the programs together administratively, in some capacity? We have got a lot of reservations about anybody talking about merging the two programs in and of themselves.

We are talking about the administrative support. I can't help but think that $30, $40, $50 million IHS and BIA-wide could be made available for services, if we develop some efficiencies. We hesitate to have just the administration looking at those efficiencies. It should be the administration, tribes, and the Congress. There are some constitutional issues involved, and the Congress needs to be involved. Am I on time?

Mr. YATES. You have another 30 seconds because you are so interesting.

Mr. STEELER. We support the use for the administration of the hospitals themselves, we are supportive of the use of management contracts with people like Corps of America. They are already in rural America. They are managing some of the hospitals in northeastern Oklahoma. Some savings might be gathered by bringing them into the scene themselves, so we introduce that for the party, and then there are some things that you could do to encourage some efficiencies within the system. We deal with a number of departments, Agriculture Department, Labor.

Through the Assistant Secretaries who are involved with those programs, start getting together and talking a little bit about the way the programs are being delivered and the services are being delivered. We have completely different eligibility criteria in the donated foods program. Let me give you a specific example. The way eligibility is determined is you have to have an adult Indian in the family, and that family then is eligible for donated foods. If that adult Indian dies or leaves, and all of a sudden you have a non-Indian spouse and three Indian children, or something like that, they are no longer eligible. That is very different than where health care is provided.

Can's we get together on this? I think with your just encouraging the Assistant Secretaries who are responsible for this, getting together to talk about it.

Mr. YATES. That would be fine. If you have any suggestions, we would be glad to receive them. Thank you very much.

Mr. STEELER. Our pleasure.

[The statement of Cherokee Nation follows:]

11 02

CHEROKEE NATION
P.O. Box 948 • Tahlequah, Okla. 74465 • (918) 456-0671

Wilma P. Mankiller
Principal Chief

John A. Ketcher
Deputy Chief

March 7, 1986

The Honorable Sidney Yates, Chairman
Subcommittee on Interior and Related Agencies
Committee of Appropriations
B-308 Rayburn H.O.B.
Washington, D. C. 20515

Dear Mr. Chairman:

Your support for social and economic programs for the American Indian and Native Alaska population is tremendous. In past years, this support has manifested itself in special Congressionally-mandated programs and funding to provide these and other services. We recognize and appreciate all that you and the Committee have done for us.

We are confident that the pressures of the 1986 and 1987 budgeting activities will cause no abatement in your support. There is no doubt that programs for American Indians and Native Alaskans will have to absorb their proportionate share of reductions during these years. However, we firmly believe that it is possible for service levels to be maintained if we work together. We feel that this will require a new configuration for getting appropriations from the United States Congress to the recipients of service. Success requires a "re-thinking" of the bureaucracy (both Federal and Tribal) necessary for administering Indian programs. Our testimony includes our suggestions as to what some of those changes might be and how they might be pursued. We also include our thoughts on budget-related actions that the Congress is considering, that we feel are premature.

The Proposed Bureau of Indian Affairs Appropriation:

1. We support the proposed formation of a line item designed to give more management responsibility to the Tribes (Tribal/Agency Operations). However, before this actually occurs, we feel the Committee should be convinced that the procedures to implement this change are consonant with the stated intentions. This is a most significiant change and deserves the Committees vigilant oversight during the next year.

2. We adamantly oppose the proposed transfer of the Johnson O'Malley program to the Department of Education. Our protestations surpass concerns of possessiveness or "ownership" of the JOM programs. They are based on clear and vivid recollections of how things were when the States managed the program. This must be discussed in conjunction with the proposed changes of the 1986 Indian Education Act.

The essence of the proposed 1986 Indian Education Act is to 1) transfer the Johnson O'Malley Program from the Bureau of Indian Affairs Indian Education Programs to the Department of Indian Education Programs Title IV-A; 2) combine the two appropriations; 3) block grant the combined programs to the states on a formula grant basis; 4) transfer part B of the Indian Education Programs (discretionary grants, Education Personnel Development, and Fellowships) to the Bureau of Indian Affairs; and 5) maintain Adult Education Progams under both Title IV and Bureau of Indian Affairs.

The effect on the Johnson O'Malley Program would be to totally eliminate it. The draft regulations call for the maintenance of the Title IV definition of Indian which is traceable heritage of federal and state recognized tribes as opposed to one-fourth or more degree of a federally recognized tribe. Tribal entities, at this point, have not been considered by the Department of Education and no provisions for contracting directly from ED have been developed. That would leave the tribes in the position of having to deal with each individual state.

It is not feasible for tribes to contract from the state. The effect of this would be to add another layer of administration between the school and the state department of education. It is possible, but not probable, that tribes could contract with the state to offer some sort of discretionary program for Indian children. Most tribes find the idea of contracting with a state program for something that is a Federal responsibility an abridgement of their unique relationship with the Federal Government.

Problems or concerns relative to these proposed changes:

1. Transfer of Johnson O'Malley to Department of Education
   a. Tribes have not been given an opportunity to respond in advance to the legislation.
   b. It abrogates the special relationship between the Tribes and the Federal Government.
   c. It eliminates a program (JOM) that is specifically designed to serve the special needs of Federally recognized Indian children.

2. Combining the two appropriations
   a. dilutes services to Indian children, and
   b. JOM and Title IV currently compliment much needed services, this would be lost

3. Block Granting the combined programs to the states on a formula grant basis.
   a. has no provisions for Tribal involvement,
   b. States will approve the programs and allocate funds on a discretionary basis,
   c. Parental input will be lost or meaningless, and

d. States will advocate for administrators, not parents.

4. Transferring Part B (Discretinary programs- education Personnel Development and Fellowships) to the bureau:

   a. The Bureau has been very inefficient in developing regulations for any of their programs, i.e., JOM, Adult Education, JOM formula, Adult Vocational Training, etc. How long would it take to set up regulations for the new special projects area?
   b. Would the Bureau be able to fund non-federally recognized tribes?
   c. The Bureau has not had experience in the competitive process. How would that be set up?
   d. A vital area available to assist Tribes and Indian organizations to develop ne programs would be gone.

5. Maintain Adult Education in both program areas.
   a. This is the only sensible action taken under this act.

Finally, here is a quote from a book by Margaret Szasz from Education and the American Indians: The Road to Self-Determination since 1928.

> "The failures of Federal funding are more easily understood if they are traced back to the mid 1930's when the Indian Bureau signed its first contracts with individual states for the education of Indian pupils in public schools. State contracts were legalized by the passage of the Johnson O'Malley Act of 1934. Prior to this time the Indian Bureau had contracted with thousands of individual school districts for federal payment for Indian pupils. Carson Ryan had encouraged the legalization of state contracting because he foresaw that it would simplify the administration of this funding.
>
> A few years later, Willard Beatty discovered that state contracting for public schools funds led to inferior education for Indian people in public schools. Beatty was well aware of the financial need of public schools at this time, and he surmised that state education systems would be far more interested in the additional funds than in the Indian pupils. His prediction proved to be correct...they (states) demonstrated a decided lack of interest in developing special programs for Indian pupils...By the late 1960's the mishandling of Federal funds for Indian pupils had become as notorious as the boarding schools scandals of the 1920's.

Have we come full circle since the '60's to again suggest that tribal programs relinquish the JOM Program to the state and lose control of the only mechanism that can help us gain influence on the education of our children? I hope not.

The Indian Self-Determination and Education Assistance Act of 1975 gave tribes the authority to contract and implement programs that directly impacted the local community. The Education Act of 1986 again proposes to destroy the Tribes' right to self-determination.

Your alternatives are:

1. Leave the Title IV-A and JOM programs as they are.
2. Transfer all of the Title IV to BIA.
3. Provide for a block grant to the Tribes for both Title IV and JOM.
4. Accept the proposed legislation as is.

We recommend you do the first until such time that more information is available.

The Proposed Indian Health Service Appropriation:

3) We adamantly oppose the proposed elimination of the Community Health Representative and Urban Health Programs. The fact that they are once again slated for elimination reflects the Administrations's lack of understanding as to how health services are being provided to Indians.

Our CHR program is an integral part of the systematic approach to meeting health care needs that has evolved. As one example, the CHR's work in conjunction with our mental health professionals. Mental patients for whom there is no chance of counseling, having a therapeutic result are jointly managed by the mental health professionals and the CHR's. The CHR's have a very active role in this process giving the professionals more time to spend counseling. Our system results in a much more efficient and effective use of our resources and is in stark contrast to what existed before the Cherokee Nation assumed management of the mental health program.

Eliminating services to eligible Indians in Tulsa is foolhardy. Without the Urban Clinic in Tulsa, people will simply travel to the Claremore Service Unit. It is already overtaxed in terms of workload and the proposal simply exacerbates the condition.

4) The funds directly associated with the provision of services should be the last affected by budget reductions. We feel that many changes could be implemented that would reduce the administrative costs of the Federal programs.

A) Consideration should be made as to how the BIA and IHS could share certain administrative functions. Currently, personnel systems are being duplicated, yet both are ultimately governed by the Office of Personnel Management. Accounting systems (as weak as they are) are duplicative and inefficient. The same is true of all procurement-related systems.

We support a review of how the duplication could be eliminated. In addition, we support the use of Cooperative Agreements as the mechanism by which the Federal Government formally interacts with Tribes.

B) We support the use of management contracts with private sector companies for the administration of the hospitals and clinics. Perhaps this is currently possible under OMB Circular A-76 and the IHS simply needs encouragement. We feel that a consideration of this approach is appropriate at this time.

Other concerns with which you need to be familiar:

5) The Agriculture Department manages its Indian-oriented programs differently than IHS and BIA. Two concerns in particular need to be addressed:

A) If an individual resides in a town with a population in excess of 10,000, he/she is ineligible for services in the Donated Foods Program. Why must this be?

B) The definition of an eligible family is one in which an adult Indian resides. If the adult Indian dies or moves, his/her children would no longer be eligible for services. Can this be changed?

We very much appreciate the opportunity to share our concerns with you. We would appreciate the opportunity to discuss them further with you and the Committee's staff in the near future. Please let me know if that is possible.

Sincerely,

Wilma P. Mankiller
Principal Chief
Cherokee Nation of Oklahoma

WPM/fr

FRIDAY, MARCH 7, 1986.

CONSTRUCTION

WITNESS

ALLEN WHITE LIGHTNING, STANDING ROCK SIOUX TRIBE

Mr. YATES. Mr. White Lightning, you are back again. You did not tell us enough yesterday?

Mr. WHITE LIGHTNING. My name is Allen White Lightning. You have our testimony for the record, and I will try to be brief. You have some very good staff people.

One of the things we find very, very disturbing on Standing Rock is the reduction of FTEs at the agency level, where we had 103 FTEs, and we are now down to 68 FTEs. I wanted to bring that to your attention.

At the area office, they are increasing the FTEs. Several years ago, Mr. Fritz had come before the committee and assured the committee that the agency was going to receive increased FTE responsibilities in other areas.

Since then, it has not occurred. I guess the changes with each administration within the Bureau, we like to ask that the agency be given consideration, in increasing the FTEs, and if there are any reductions to be made, we propose that the area offices be done away with.

The second thing I would like to bring to your attention is that I am also submitting testimony on behalf of the IN-MED program.

[The statement of Mr. White Lightning follows:]

Testimony of
The Standing Rock Sioux Tribe before the
House Appropriations Committee
Subcommittee on Interior and Related Agencies
March 7, 1986

Mr. Chairman and members of the Committee, I am Allen White Lightning, Tribal Councilmember of the Standing Rock Sioux Tribe, appearing on behalf of the Tribe, which is located in North and South Dakota.

Over the past several years, tribes have endured deep and painful cuts in federal appropriations for much-needed Indian programs. Now, further cuts are requested in the Administration's proposed FY 1987 budget. If carried out, these cuts will cause severe hardship on Indian people, who already have the highest unemployment, and the worst health care of any people in this country. Asking Standing Rock and other tribes to suffer additional cuts is unfair, and a breach of faith by the United States.

We certainly recognize the Federal deficit problem faced by the United States. But this problem must not become an excuse for the United States in abdicating its responsibilities to Indians.

Indian programs, while important to the Indian people, can barely have an impact to the Federal deficit. The size of the deficit -- over $200 billion -- simply dwarfs all expenditures for Indian programs. We urge the Committee to restore a measure of fairness to the appropriations for FY 1987.

We note just a few areas for the Committee to consider on behalf of the Standing Rock Sioux Tribe.

BIA Programs

1. Standing Rock Irrigation Project. The Tribe requests $1.6 million to enable it to complete the Eagle Unit Irrigation Project. Congress has endorsed this project, appropriating $1.8 million in FY 1985. The project has been designed, bids have been let and construction is about to commence. The project engineers indicate that an additional $1.6 million is required to irrigate all the project lands, which lie just west of the Grand River in Wakpala, South Dakota.

The Tribe is proud of its progress in irrigation development. We are looking to the future for ways to use our irrigated agriculture to compliment our cattle industry. But first we must complete the Eagle Unit. The Administration calls for severely limited funds for construction in all categories including irrigation. We urge the Committee to continue its support of Standing Rock's efforts to move forward with irrigation development.

2. Housing. Housing at Standing Rock is inadequate, and the problem grows worse each year. A 1985 housing survey indicates that over 300 new homes are needed, while over 175 need major renovation (apart from HUD homes, which have additional problems). In short, basic housing is not available for many of our people on the Reservation. Yet, the Administration proposes deep cuts in BIA housing, and an end to new BIA home construction. We urge the Committee to resist this and to support adequate funding for Indian housing -- both BIA and HUD -- to provide a decent place for our people to live. In addition, for the BIA housing program to be effective, we recommend that it be restored to the "banded" programs for which tribes can contract and set priorities. We oppose any use of vouchers in Indian housing programs.

3. Indian Child Welfare Act. The goal of the Indian Child Welfare Act is to keep Indian families together. Grants under the Act are used at Standing Rock to monitor and protect against child abuse and other problems in the family, to counsel families, and to guard against unwarranted placements for adoption or foster care by the States which in the past broke up so many Indian families.

The Administration claims it is "pro-family." Yet, the proposed budget calls for a $2.7 million cut in Child Welfare Act grants. Full funding in this area is vital.

4. Self-Determination. The Indian Self-Determination Act (P.L. 93-638), encourages Tribes to contract for functions of the BIA and IHS. Congress has stated that under 638 tribes should receive enough funding to maintain the level of services provided by the BIA or IHS, including indirect costs. In practice, this does not happen. Tribes have not received sufficient contract support to run programs at their previous levels.

In addition, the complex regulations regarding indirect costs lead to additional problems. Tribes are required to collect indirect costs at a rate set by the BIA -- even from other agencies which cannot provide indirect costs at the required level. The whole process is irrational and unfair, and tribes are continually the losers.

Sufficient funding is necessary to assure that adequate indirect costs are provided. Hearings are needed to review the entire 638 process. H.R. 4174, recently introduced, could be a vehicle for this review. Congress must recognize that without adequate funding -- including for indirect costs -- self-determination by tribes is impossible.

5. BIA operations. One item which could be cut without hardship to our people is the BIA Area Offices. These offices are simply an unnecessary third level of bureaucracy -- standing

between the Agency Offices and Central Office. Before suggesting any cuts which hurt our people, the BIA should look to cut its own bloated Area Offices.

Indian Education

1. Johnson-O'Malley. The Administration proposes to transfer the Johnson-O'Malley (JOM) program from the BIA to the Department of Education. We oppose this measure. The purpose of JOM is to meet the special needs of Indian children in the public schools. The BIA, not the Education Department, can best serve this role. We view the proposed transfer as an attempt to phase out this needed program.

2. Fort Yates dormitories and staff housing. Since 1980, there have been no dormitories for the Standing Rock Community High School in Fort Yates, North Dakota. At that time, old dormitories were demolished, without adequate tribal input. Many Indian students must take long rides from distant Indian communities on the Reservation -- an hour to an hour and a half each way -- to go to school each day. The Indian students from these communities have a much higher absentee rate than other students in the high school. A dormitory for 75 to 100 students would remedy this situation.

3. Vocational Education. The Standing Rock Community High School has the facilities to run a vocational program, but no funds available. In our view, such a program could begin to provide skills for our children which could increase employment. This program could successfully be used in conjunction with United Tribes Educational Technical Center -- an adult vocational program which also deserves the Committee's firm support.

Indian Health Service

We are sad to report that the health of our people is deteriorating. Diabetes is on the increase -- 70% of our adults now have this terrible disease. Alcoholism continues to be a major problem. The number of kidney dialysis patients has doubled in the last few months. Cancer is on the rise also -- it is such a serious matter in Cannonball that the Center for Disease Control has agreed to cooperate with the IHS in a study of the problem.

In light of all these problems, we are shocked that the Administration has proposed such large cuts in the budget for the Indian Health Service -- not just in Fiscal Year 1987, but a large rescission for the current fiscal year as well. The Administration's justification for these cuts, is the Gramm-Rudman legislation. This simply does not wash. Many of the cuts are the same ones that the Administration has proposed in the past. Same unfair proposals, with a new excuse.

We are counting on this Committee to do the most it can to protect the IHS budget, just as it has in the past. We would like to briefly discuss some of our particular concerns at Standing Rock.

1. Alcohol programs. Alcoholism is the worst health problem and the worst social problem on our Reservation. The many illnesses and accidents that are caused by alcohol put a tremendous strain on all components of the IHS budget. This strain will greatly increase if the Administration's proposed cuts, particularly for clinical services, are accepted.

Last year this Committee proposed a modest $1 million increase for IHS alcohol programs. The increase would have funded fifteen community-based substance abuse prevention programs. The Tribe was extremely disappointed that this increase was not included in the continuing resolution as enacted, and the Administration has not proposed the increase for FY 1987. The Tribe asks this Committee to renew the proposed increase in FY 1987.

2. CHR program and emergency services. The Tribe asks this Committee to reject once again the Administration's efforts to eliminate the CHR program. We cannot emphasize enough the importance of this program on our Reservation. CHRs provide emergency services in the communities and provide a vital communications link between our people and the medical staff at the clinics. They are known and trusted by our people, many of whom are wary of other health care personnel.

We simply do not understand the Administration's repeated attempts to reduce funds for emergency services. We do not have the personnel to provide emergency ambulance service to Fort Yates, where the only inpatient facility is located, around the clock, or to transfer emergency patients to Bismarck when necessary. The CHRs frequently pitch in to fill this need -- in fact, IHS admits that without CHR assistance, many tribal ambulance programs would collapse. However, this subtracts from the time the CHRs can spend providing health care and education, and still does not entirely fill the need.

We ask Congress to reject all proposed cuts in emergency services for both FY 1986 and FY 1987.

3. Diabetes. Seventy percent of the adults at Standing Rock have diabetes. Serious complications of diabetes, such as kidney failure, hypertension, and blindness are all too common. The Standing Rock Sioux Tribe strongly encourages special appropriation in the amount of $150,000 to address the diabetes prevention and education program on our Reservation and to provide transportation for those kidney dialysis patients traveling to Bismarck daily for treatment. The Tribe strongly supports S. 1988, a new bill that would establish a program for the prevention and control of diabetes among Native Americans. We urge Congress to enact this bill swiftly, and even if it is not enacted before the end of the FY 1987 appropriations process, we ask that sufficient funds be provided so that its major objections can be accomplished.

Lastly, Mr. Chairman, allow me to add to our testimony the information from the IN-MED Program as attached. We would request that the Committee consider an amount of $300,000 for the IN-MED Program to be included in the IHS budget along with $75,000 for the Summer Institute session held for high school juniors and seniors. Your consideration on this matter for the IN-MED Program will be greatly appreciated.

FRIDAY, MARCH 7, 1986.

BUREAU OF INDIAN AFFAIRS, INDIAN HEALTH SERVICE

WITNESSES

PAT LOCKE, NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION, EDUCATION DIVISION
VERNA WOOD
CYNTHIA KIPP

Mr. YATES. NTCA, Mrs. Locke.

Ms. LOCKE. My name is Patricia Locke, and on my right is Cynthia Kipp, and Verna Wood is on my left.

There are three other members of the committee that are not here. They are Forrest Arch, from Northern Ute; Reuben Snake from Winnebago, and Rick St. Germaine.

All of our resolutions were passed by the National Tribal Chairmen's Association Education Committees, and then the Boards of Directors.

We are on both committees. We think it is important to get unanimity from these major tribal organizations, and have worked in the past several years, in fact, working together to try to get unanimity.

Our testimony is based on those resolutions which are attached to the testimony.

Mr. YATES. We will read them very carefully.

Ms. LOCKE. We have spent considerable time over and above the resolutions talking about the Gramm-Rudman issue.

Mr. YATES. So have we.

Ms. LOCKE. We found some interesting quotes, Mr. Yates, from Chief Justice Marshall. In fact, we went over there and held the hand of the statute at the Supreme Court.

Mr. YATES. Oh, usually they rub his feet.

Ms. LOCKE. He said that protection does not imply destruction, protection does not imply destruction. We think that is a very important concept, and one that many in the administration need to understand, and we also—

Mr. YATES. I would agree with you. How do you get those words to the administration? We keep overruling the administration by recognizing the arguments that you and the other witnesses that come before us make as to the needs of the Indian people, and we hope to do it again, even in the face of Gramm-Rudman.

Now we will be armed with the strength of the quotation from Justice Marshall that you have given us.

Ms. LOCKE. We know that you do that for education. Beyond Johnson O'Malley—

Mr. YATES. Tell us specifically what you want the committee to do.

Ms. LOCKE. To put Johnson O'Malley back into the Bureau of Indian Affairs. Make Title IV programs contractible to the tribes. We think that is very important that they are able to contract.

We met with Education Department high officials on Tuesday of this week, and we told them what the tribes thought and they said, well, we will trot out our own Indians.

Mr. YATES. Tell the committee what you want the committee to do. Don't tell us what you told them to do. Do you have a number three?

Ms. LOCKE. One of the things we don't like is the use of terminology basic and supplementary. We think that that is an artificial semantic problem, and we think because we are so late in getting started in all of the aspects of education, if a tribe wants to consider everything basic, including scholarships, and gifted and talented programs, early childhood programs, they are all basic.

We think that is an artificial nomenclature. We think it is very important, for purposes of eligibility, that tribes have that inherent ability to determine what their own membership should be.

If a state or any entity, sovereign, semi-sovereign, then they are usurping that authority.

Mr. YATES. What are you going to do if the tribes decide they want to take white people in?

Ms. LOCKE. We think that that is their prerogative. That is one of the inherent rights of any government in the world.

Mr. YATES. I suppose it is. The trusteeship relationship, does it go far enough to include white people?

Ms. LOCKE. I doubt that a tribe would do that.

Mr. YATES. I don't know. The question is, when is a person an Indian? You are saying you can't have a definition.

Ms. LOCKE. Each tribe.

Mr. YATES. Suppose a tribe decides it wants to expand the parameters of its so-called Indian population and say, we are interested in integration? We are just going to merge. I have trouble with that, frankly.

Ms. LOCKE. It seems to me, maybe some of the rest of you might have an idea about that?

Mr. YATES. Think about it and drop us a note on that. I can see that you might have trouble with a quart of blood or definition of that kind, because there are some lesser degrees that might qualify for membership in a tribe, but I have trouble doing away with it entirely.

Ms. LOCKE. I doubt if any tribe would do that.

Mr. YATES. We hope to see you again next year.

Ms. KIPP. May I say something quickly?

Mr. YATES. Very quickly.

Ms. KIPP. The off-reservation boarding schools are calling on you gentlemen to assist us in keeping these off-reservation boarding schools open, and I would like to draw to your attention that there are only five in the United States of America that takes care of over 20 states of tribes who reside in those areas, and we need these off-reservation boarding schools, because on reservations, there just is not enough room for those students who desire the opportunity to be educated in these boarding schools.

Our Indian youth today are our leaders for tomorrow.

Mr. YATES. Well, we are for Indian youth. The question is whether your Indian gets as developed as well as students in other places?

We will examine that very carefully. We will keep in mind very closely what you have just told us.

Ms. **Kipp**. Also for the record, I inserted in my testimony the resolution from the Flandreau School Board, a letter from Earl Old Person,

Mr. **Yates**. We will put that in record.

Ms. **Kipp**. Along with, this is for Flandreau.

[The statements follow:]

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NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

Suite 840 • 818 18th Street N.W. • Washington D.C. 20006 • 202-293-0031

TESTIMONY

Submitted To:

HONORABLE SIDNEY YATES
CHAIRMAN

Subcommittee on Interior Appropriations
U.S. House of Representatives

Submitted By:

National Tribal Chairmen's Association
Advisory Committee on Education

March 7, 1986

NATIONAL TRIBAL CHAIRMEN'S ASSOCIATION

Suite 640 • 818 18th Street, N.W. • Washington, D.C. 20006 • 202-293-0031

Thank you Chairman Yates for the opportunity to present testimony on the President's Interior and Education Department's FY 1987 budgets for Indian education. Attached to this testimony are thirteen (13) February 13, 1986, approved resolutions on Gramm-Rudman and education.

Representing the NTCA Advisory Committee on Education are Patricia Locke, Verna Wood, Maxine Edmo and Cynthia Kipp. Other members of the committee not with us today are Forrest Cuch, Reuben Snake and Rick St. Germaine.

GRAMM-RUDMAN

The National Tribal Chairmen's Association urgently requests that your Subcommittee, Chairman Yates, immediately intervene at this juncture in the process to determine and define the following BIA and IHS accounts which should be excluded and exempt from P.L. 99-177:

1. Funds relating to the protection of tangible and intangible Indian trust assets.
2. Funds for Tribal Government Operations including contract support.
3. General assistance funds and all other BIA programs and services.
4. Indian Child Welfare funds.
5. School equalization program funds and all other education programs.
6. Funds for construction and maintenance.
7. All IHS programs and services.

The NTCA's resolution requests these exemptions because of the federal trust responsibility to the Tribes, because of the special political status of the federally recognized and sovereign Tribes as well as our reliance on Supreme Court decisions. our several hundred valid and internationally recognized treaties, Presidential Agreements and numerous federal statutes enacted by the United States Congress.

To quote the February 8, 1986 testimony of Roger A. Jourdain who is an NTCA executive board member and Chairman of the Red Lake Band of Chippewa Indians, "the federal trust responsibility to American Indian Tribes has always been the cornerstone of federal Indian policy. The architects of Gramm-Rudman must be reminded of the U.S. Government's historical and fiduciary obligations toward all federally recognized Tribes. We are not minorities. We are separate and distinct political governments that in our treaties exchanged nearly the entire U.S. continent for perpetual services of health, education, housing and other social services. The federal obligation to forever protect the Tribes can never be dishonored or dismissed by the budgetary process. In fact, each year's budget must provide for the federal government's fiduciary obligation to the Tribes. It is demeaning that we must beg every year for health, education, housing, trust protection and other social services and programs when this obligation is implicit in the United States Constitution. In Delaware vs. Weeks (1974), the Supreme Court specifically required that exercises of

Congress' Indian affairs power be tied rationally to the fulfillment of the obligations of the federal government toward Indians. P.L. 99-177 is an irrational negation of this federal obligation.

We maintain that the U.S. Constitution contains an implicit guarantee of Tribal permanency ... that Indian Tribes would always exist as distinct political entities. Any Congressional actions such as the Gramm-Rudman termination legislation which contradicts that permanency is unconstitutional ... a direct attack on the permanency of the Tribes. As Chief Justice Marshall said, 'protection does not imply the destruction of the protected'."

NTCA implores your committee, Mr. Yates, to take the lead in requiring the Executive Branch to be accountable to the federal government's fiduciary obligation to protect the Tribes and to restore the Tribes, through the budgetary process, to the self-sufficiency we once enjoyed.

U.S. EDUCATION DEPARTMENT

In testimony that Bruce Carnes, Deputy Undersecretary for the United States Education Department's Planning, Budget and Evaluation, gave to the Senate Select Committee on Indian Affairs on February 18, 1986, glowing improvements were cited about Indian poverty levels and educational achievement. NTCA maintains that this glowing picture is illusory and that the nearly 600,000 extra "Indians" the U.S. Department of Commerce found through the self-identification process used in the 1980 census has caused statisical information about Indians to be skewed and inaccurate.

The U.S.E.D. is mistaken when it bases its attempt to turn over Indian education to the states on false data showing the educational improvement of self-identified and state identified Indians. NTCA is adament that it is unethical for any state or other governmental entity to usurp the Tribes' inherent right to determine their own membership. We urge the Congress to help U.S.E.D. realize that it shares in the federal government's fiduciary obligation to provide educational services to, and to work with the Tribes on a government-to-government basis. The U.S.E.D's stated objective to turn over Indian education to the states makes a mockery of the U.S. Congress' intent to give the Tribes educational contracting authority through the Indian Self-Determination and Education Assistance Act.

In Section 16 of the Indian Reorganization Act, P.L. 73-383, there is a provision for consultation by the federal government to Tribes in its budgetary processes, but this part of the act was never recognized by the bureaucracies. More than four decades later, P.L. 93-638 and P.L. 95-561 again called for Tribal consultation but without any great success or adherance to the law by the bureaucrats.

For the first time, on March 5, 1986, the U.S. E D invited the NTCA Education Committee and the Executive Director to meet with Lawrence Brown, III, Director of Elementary and Secondary Education, Lawrence Davenport, Assistant Secretary for Elementary and Secondary Education and Dan Sheeter, Education/Budget, to discuss their controversial plans to block grant Indian monies to the states. Two hours of discussion were all for naught when Mr. Brown stated that he could "trot in his own Indians" to refute testimony given on behalf of 501 Tribes represented by the National Tribal Chairmen's Association and the National Congress of American Indians. In addition, Mr. Brown stated that the U.S.E.D. did not have to comply with P.L. 93-638 because ... "we have our own laws to comply with".

NTCA rejects the proposed Education Amendments of 1986 in its entirety. This proposed legislation would deprive Tribes of their contracting authority and would be violative of Congress' intent in P.L. 93-638 and P.L. 95-561. In addition, the U.S.E.D refuses to understand and implement Indian preference and the Tribes' right to determine their own membership for purposes of eligibility.

While Indians are unquestionably entitled to participate fully in the public school systems of the states where they reside, Tribes cannot rely on the good faith of the states to provide education. The history of Tribal-State relations is such that even under the best of circumstances federal government protection of the Tribes is necessary.

The Education Commission of the States in 1979 and 1980 surveyed educators and state government officials in Alaska, Minnesota, Montana, Oklahoma and South Dakota. The ECS found:

- Lack of Indian involvement in public school decision-making;
- Lack of Indian related curriculum;
- Lack of Indian teachers and administrators;
- Inadequate training for teachers of Indian students;
- Inadequate needs assessments and evaluations of programs serving Indian students;
- Indian education is a low priority for state legislatures;
- White educators, lesgislators and school board members thought no special counseling efforts were required for Indian students; and,
- Indian parents and tribal officials reported a general lack of understanding among white teachers and administrators about the Indian lifestyle.

NTCA believes that, with the exception of Minnesota, this deplorable situation has deteriorated to an even worse degree in 1986.

OTHER U.S.E.D. PROGRAMS

NTCA requests that the FY 1987 budget:

Impact Aid

- Restore Impact Aid for "b" children to a $124.4 million level;
- Restore school construction funding at a $20 million level;
- Maintain the 25% add-on that currently goes to eligible school districts for Indian children.

Bilingual Education

NTCA requests that the FY 1987 budget provide full funding of Title VII Indian Bilingual programs using the established and proven methods of bilingual instruction among Indian Tribes. Further, NTCA requests that the U.S.E.D. be required to provide funds to extend a Request for Proposal for the operation of a National American Indian Bilingual Center in 1987 and beyond since Tribes need to master the English language and need to promote, preserve and maintain their 221 remaining languages.

Vocational Education

We urge the Congress to reverse the Administration's budget decision to rescind $2,161,000 for Indian vocational education basic grants in 1986 and its plan to reduce the basic grants appropriation by an additional $4,929,000 in 1987.

Library Construction

Because of the remoteness of Indian reservations and past denials of the provision of library services required to enable Indians to have the same access to libraries that all other Americans enjoy, the NTCA asks that the Congress appropriate monies to provide 45 libraries per year including construction, materials, personnel costs and training for seven years on Indian reservations.

BIA PROGRAMS

Johnson O'Malley

NTCA is outraged over the proposed transfer of JOM to the U.S.E.D. and urges the Congress to reject this proposed transfer and consolidation. The 501 federally recognized Tribes will never permit JOM to be destroyed by the BIA and U.S.E.D. plan to give this program to the states. NTCA finds it unconscionable that the BIA would propose legislation to terminate the JOM authority. We request that this committee replace the $5.6 million that was taken from JOM last year so that the FY 1986 base figure will be $27.6 million.

Haskell and IAIA

NTCA and NCAI are firmly oppsed to any legislation that would eliminate BIA funding and Snyder Act authority from Haskell and the Institute of American Indian Arts or any other boarding school or day school under the auspices of the Interior Department. We support the 23 Tribes who are determined that BIA must not sell the Phoenix Indian school to real estate developers.

Flandreau

NTCA sees through the BIA's transparent plan to shut down the Flandreau Indian School by the imposition of unfair dormitory space standards and requests that a "grandfather clause" be inserted into new regulations stating that existing facilities be exempt from these new requirements.

Continuing Education

The NTCA requests that full funding at the FY 1986 level be provided as a separate line item for Adult Basic Education, Higher Education Grant programs and Special Graduate Scholarship programs.

The American Indian Scholarships, Inc. has done an excellent job of securing financial support for Indian graduate students since 1972 but has been hampered by a lack of funds due to the BIA's refusal to request sufficient dollars. This year, 252 eligible applicants had to be rejected, and 78 students were turned away from the 1985 summer term. The total unmet need for the current academic year is $534,900. We request $1,939,000 for special graduate scholarship programs.

ISEP, Construction and Intensive Guidance

NTCA requests the Congress to restore the school construction and Intensive Guidance programs and that no further reductions be made to the ISEP formula which funds BIA and contract schools.

OTHER ISSUES

NTCA and NCAI have repeatedly asked for the removal of Nancy Garrett from the OIEP-BIA but she remains for some ominous reason (See attached resolution).

We request that the BIA be required to immediately implement the 27 BIA education policies and mission statement as required in 25 CFR 32. Since the time that these policies were approved by the Interior Solicitor in November of 1979, the OIEP has made no effort to carry out these policies that once gave Tribes such high hopes.

Finally, the NTCA urges the Congress to remind the BIA and Education Department to refrain from arbitrarily using the terms "basic" and "supplemental" when referring to all essential Indian education programs. Such terms are artificial and their use denies the fiduciary entitlement that Tribes have to all education programs, and permits these agencies to ignore the Tribe's right to plan, determine, and administer education programs for the Indian Nations.

FLANDREAU INDIAN SCHOOL BOARD

FLANDREAU, SOUTH DAKOTA

Testimony

HOUSE APPROPRIATIONS SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES, MARCH 7, 1986

Mr. Chairman and Members of the Committee: I am Cynthia Kipp, an enrolled member of the Blackfeet Tribe in Northern Montana. I am the mother of 9 children and 19 grandchildren. Presently, I am Chairperson of Flandreau Indian High School Board in Flandreau, South Dakota. I am here today because I am greatly concerned for the future of the Off-Reservation Boarding Schools. The testimony I submit is most significant for the Indian youth of the Blackfeet Tribe and other Tribes who desire the opportunity to attend Flandreau Indian School.

I respectfully and most emphatically call upon members of this committee to assist us in keeping all of the Off-Reservation Boarding Schools open. They must remain operating to enable students from the many Tribes who immediately need the educational development and academic achievement that Flandreau and the other Off-Reservation Boarding Schools provide.

Every year we Indian people have to battle long and hard to protect all of our schools and educational programs. Decisions and policies are arbitrarily made without any consideration of the special requirements and problems of the Off Reservation Boarding Schools. Gentlemen, I can assure you this is not an easy task; however, Indian people all over the country have given us their mutual support.

We continually address our needs through the legislative and political process. Please let us know that we are being heard.

I take this opportunity to draw to your immediate attention that in this 20th Century on March the 7th, 1986, that there exists only five, yes, five Off Reservation Boarding Schools in operation today. They are: Flandreau, Chemawa, Phoenix, Sherman, Riverside and one elementary Off Reservation Boarding School in South Dakota called Wahpeton, to accomodate 20 states and all of the federally recognized Tribes who reside in those states. These schools are unfairly and explicitly restricted to certain boundaries in 25 CFR Part 32.4 (i) and Part 39 Section 39.2).

Public schools on most of the reservations are overcrowded now and cannot adequately accomodate the students who stay at home. Consequently, there are too many dropouts and we are working most diligently to prevent this.

At Flandreau we have an accredited academic curriculum. We have implemented an Alcohol and Drug Abuse Program, a working Internsive Residential Guidance Program. We are also quite proud of our Solo Parent program with eight female students and their eight youngsters. They are housed in their own dwelling unit with 24 hour supervision.

The Flandreau administrative staff and teachers are working around the clock to promote retention. Students may sometimes leave school at parent's requests or from some social reason which are not out of the ordinary.

Flandreau student enrollment is at the level that the school dormitories and academic complex were built to accomodate. The facilities were built in 1962.

I implore this committee to give us the assistance we need. Help us to continue to instill the pride and dignity in our Indian youth for they are our leaders of tomorrow.

I submit for the record Flandreau Indian School Board Resolution in regards to the Dormitory Criteria, a resolution calling for the removal of Nancy Garrett and a letter from my Tribal Chief, Earl Old Person. Thank you.

11:10

TRIBAL COUNCIL
Organized April 18, 1918
(Revised Constitution and By-Laws, January 6, 1959)
RED LAKE BAND of CHIPPEWA INDIANS
Phone 218/679-3341
RED LAKE, MINNESOTA 56671

UPPER RED LAKE
PONEMAH
LOWER RED LAKE
LITTLEROCK
REDLAKE
REDBY

TESTIMONY

Submitted to:

HONORABLE SIDNEY YATES
CHAIRMAN

Subcommittee on Interior Appropriations
U.S. House of Representatives

Submitted By:

Roger A. Jourdain, Chairman
Red Lake Band of Chippewa Indians

March 7, 1986

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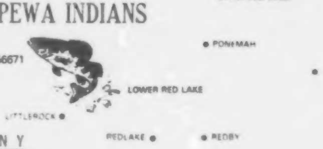

TESTIMONY

The Red Lake Band of Chippewa Indian asserts that the federal trust responsibility to American Indian Tribes has always been the cornerstone of federal Indian policy. This trust doctrine is rooted in federal Indian law and has been affirmed repreatedly by the Supreme Court, federal statutes, and even in President Reagan's Indian Policy Statement.

We can only assume that the architects of the Gramm-Rudman-Hollings legislation were ignorant of the U.S. Government's historical fiduciary obligations toward all federally recognized tribes. Messers. Gramm-Rudman-Hollings and those that voted for P.L. 99-177 must be reminded that Indian Tribes are not the same as the rest of the population in this country.

We are not minorities.

We are not the poor - although we are certainly at the bottom of the totem pole economically.

We are separate and distinct political governments that in our treaties echanged nearly the entire U.S. continent for petpetual services of health, education, housing and other social services.

We, the federally recognized Tribes of the United States, must be exempt from the Gramm-Rudman-Hollings legislation. The federal obligation to forever protect the Tribes can never be dishonored or dismissed by the budgetary process. In fact, each year's federal budget must provide for the federal government's fiduciary obligation to the Tribes. It is demeaning that we must beg every year for housing, health, education, trust protection and other social services and programs when this obligation is implicit in the United States Constitution and is a cornerstone of U.S. policy.

In Delaware vs. Weeks (1974), the Supreme Court specifically required that exercises of Congress' Indian affairs power be tied rationally to the fulfillment of the obligations of the federal government toward Indian Tribes. P.L. 99-177 is an irrational negation of this federal obligation.

The Red Lake Band of Chippewa asserts that the U.S. Constitution contains an implicit guarantee of tribal permanency ... that Indian tribes would always exist as distinct political entities. Any Congressioanl action such as the Gramm-Rudman-Hollings Indian termination legislation which contradicts that permanency is unconstitutional. The Gramm-Rudman-Hollings Act as interpreted in the President's 1987 budget is a direct attack on the permanency of the Tribes.

As Chief Justice Marshall said, "protection does not imply the destruction of the protected." We need this protection and we require that at least the BIA should be an active advocate on our behalf prior to the deliberations on such legislation as P.L. 99-177. There was absolutely no consultation offered by the BIA-Interior to the Tribes when the '87 President's budget and the Gramm-Rudman bill was being considered. Other constituents obviously had their advocates, but IHS, HUD, the Education Department and the BIA again left us in the dark and let us be thrown to the wolves.

Tribes have been waiting for 52 years for this consultation from the BIA on the budget to occur. Section 16 of the Indian Reorganization Act, P.L. 73-383 is explicit about Interior's responsibility to get tribal consultation on the budget before submission to the OMB and Congress.

The one bright spot in recent times concerning consultation was when Dr. Emery Johnson, former IHS Director, made the effort to consult with the Tribes prior to submission of the annual IHS budget. His real advocacy before the appropriation committees has set an example for future IHS, Interior, HUD and Education Department top officials. If the current top officials had followed Johnson's lead and complied with Section 16 of P.L. 73-383 we might today be shielded from the Gramm-Rudman budget ax rather than attacked and threatened with distruction.

I am respectfully requesting that your committee, Chairman Yates, assist us in becoming exempt from this treacherous act. We are being budgeted out of existence.

Finally, but no less important, I am requesting that the new Education Amendments of 1986 proposed bill not be considered. I remember well when Tribes went to battle to keep education within the BIA intact because we knew that that move would be the beginning of the end for true Indian education. I am enclosing a copy of the Red Lake Review for your information which is a pictoral account of Red Lake at the White House in 1978 where I am requesting President Carter to keep Indian education intact in the BIA. The tomahawk in the picture was eventually given to President Carter when it became evident that BIA education was indeed intact. I have another tomahawk ready for anyone who will help us keep Johnson O'Malley in the BIA.

OFFICERS
ROGER A. JOURDAIN Chairman
[illegible] Secretary
JAMES STRONG Treasurer

DISTRICT REPRESENTATIVES
[illegible]

ADVISORY COUNCIL
7 HEREDITARY CHIEFS

LEGAL COUNSEL
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DULUTH, MINNESOTA

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UPPER RED LAKE
PONEMAH
LOWER RED LAKE
LITTLEROCK

TESTIMONY

OF

ROGER A. JOURDAIN
CHAIRMAN
RED LAKE BAND OF CHIPPEWA INDIANS
ADDENDUM TO PREVIOUS TESTIMONY
PRESENTED ON FEBRUARY 18, 1986

Mr. Chairman, Members of the Committee: The Red Lake Band of Chippewa Indians wish to take exception to the testimony presented by representatives of the Department of Education. The officials of the Department of Education have presented a totally erroneous picture of the needs of American Indian Tribes in relation to their recommended phase out of the portion of the Library Services and Construction Act that applies to Indian Tribes and Hawaiian Natives. 1985 was the first year funding became available to Tribes under this new legislation and the Red Lake Band of Chippewa Indians submitted a proposal for comprehensive library services to begin on the Red Lake Reservation. The needs of the Red Lake Band include construction costs, training of library personnel and the acquisition of sufficient library material of both general and specialized interests to meet the needs of the reservation residents. While Red Lake was not among the 18 special projects funded in the first year of the program, Red Lake has submitted another proposal with high hopes that our critical need in this area will be recognized and sufficient resources allocated to begin the process of providing library services. The limited number of Tribes who submitted requests in the first year of funding is not a true indication of the real and critical needs that exist on Indian reservations. It is only an indication of the needs of those Tribes who were able to respond within severely restricted deadlines and without the resources to develop a competitive proposal.

It must be noted that this new program to assist Indian Tribes develop comprehensive library services to their members came about after approximately 15 years of effort by Indian people with the support and recognition by Congress of the existent critical needs. It must also be recognized that with each change in the federal administration, new people come into service who have absolutely no understanding of the real needs of Indian Tribes. Consequently, Indian Tribes must not only continue to present testimony in support of continued improvements in the federal support of Tribal efforts but they must also be ever alert to the words and deeds of those management personnel in government services who arbitrarily declare to Congress that the need has been met and programs may be discontinued. Congress must take renewed effort to fund and continue this critical component at least through the scheduled 1989 lifespan and perhaps beyond.

Thankyou for your consideration.

FRIDAY, MARCH 7, 1986.

BUREAU OF INDIAN AFFAIRS, INDIAN HEALTH SERVICE

WITNESS

MIKE DOSS, CHIPPEWA CREE TRIBE OF THE ROCKY BOY RESERVATION

Mr. YATES. The Chippewa Cree Tribe. Tell us what it is that you want us to do.

Mr. DOSS. I am representing the Chippewa Business Committee and the Chippewa Cree Tribe, and I have eight points to summarize.

We feel that if some of the budget recommendations are followed that we may be set back 20 years in education, and that will be an affront not only to the Indian educators of this country, but also to the excellent work this committee has done over these years.

Number one, the Chippewa Business Committee opposes the administration's proposal to transfer Johnson O'Malley from the Bureau to the Department of Education, based upon several reasons, which I will leave for the record.

Two, we oppose increasing agency and area office support by $217,000, and instead request monies for programs for Indian kids.

Three, we oppose the decrease of funding for Indian community colleges by $432,000, especially with the fact that we have newly-created Stonechild College under the Tribal Control and Community Colleges Act.

We support the funding of the American Indian Scholarship Program, and we do not support the consolidation of this program with the Indian Fellowship Program, or the moving of the Indian Fellowship Program from the Department of Education to the Bureau, and we do not support the proposals to decrease these two programs by $1.254 million as proposed by the Bureau.

Part B, Title IV, we oppose the transfer of Title IV, Part B programs, they should remain within Department of Education and appropriations should be increased.

We oppose the Department of Education terminating assistance for Indian controlled and Indian postsecondary education, and also oppose a decrease in funds for educational standards, and we would like to request additional funds here.

Our eighth and final request is based upon an earlier request you heard for construction of Two Eagle River School on the Flathead reservation, which is number one, and Rocky Boy High School is number two.

We would like to make a request for the construction funds, if there is a chance of supplemental, we have learned that the Senate might be receptive to such a supplemental, and if so, our construction planning has proceeded and will be completed by the 31st of May, and will be ready to proceed once funds have been received.

Thank you very much.

Mr. YATES. Thank you very much.

[The statement of Mr. Doss follows:]

TESTIMONY TO THE
U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

BY:

DR. MICHAEL P. DOSS

in behalf of the

CHIPPEWA CREE BUSINESS COMMITTEE
ROCKY BOY INDIAN RESERVATION
P.O. BOX 544
BOX ELDER, MONTANA 59521

MARCH 6, 1986

Good morning Mr. Chairman and members of the U.S. House Subcommittee on Interior Appropriations. My name is Dr. Michael P. Doss and I have been requested to present this testimony in behalf of the Chippewa Cree Business Committee, Rocky Boy Reservation, Box Elder, Montana 59521. As requested by the House Subcommittee on Interior Appropriatons, I will present testimony today regarding President Reagan's proposed Fiscal Year 1987 Federal Budget Request and how it will impact Indian Education.

First, I would like to thank the House Subcommittee on Interior Appropriations for allowing me to present testimony in behalf of the Chippewa Cree Tribe, Rocky Boy Indian Reservation.

I would like to begin my testimony by quoting from the Seventh Annual Report to The Congress of the United States, a report published by the National Advisory Council on Indian Education in June of 1980. The report is entitled , **EDUCATION FOR INDIAN SURVIVAL AS A PEOPLE, A GOAL FOR THE 1980'S.** This quote is from a letter Dr. Robert J. Swan wrote in June of 1980 when he was Chairman of the National Advisory Council on Indian Education and who is presently the Assistant Superintendent of Schools for the Rocky Boy Schools. I served as the Executive Director of NACIE during Dr. Swan's tenure on NACIE and feel this quote sums up the state of Indian Education. The letter is addressed to the Congress of The United States and is part of the Report referred to above.

> "As the decade of the 70's comes to a close, Indian people and Alaskan Natives can look back and reflect upon the numerous achievements made during the self-determination period of this past decade. The National Advisory Council on Indian Education along with other national, regional, and local Indian organizations and tribes entered a new spirit of cooperation with the U.S. Congress. The 70's, as pointed out by many Indian leaders, can be declared as the most important decade for Indian people in terms of legislation, appropriations, and commitments from the U.S. Congress, not only in Indian Education, but in all areas of government that provide services to Indian people. New legislation and increased appropriations made it possible for Indian people to begin planning our own educational programs, set educational priorities, and to

commence to meet our own educational needs which historically have been neglected by the federal government."

As we enter the sixth year of the 80's, Indian Education may be set back 20 years. This conclusion is based upon the last five years of appropriations for Indian Education, the Administration's FY86 Rescission Request, FY87 Budget Request and FY87 Budget Justification.

To support this conclusion, I would like to first discuss the Administration's FY87 Budget Request and Justification. The Administration proposes the following:

1. Reduce the implementation of the Educational Standards from $1,500,000. to $300,000. or a decrease of $1,200,000 (-400%).
2. Increase Agency and Area Offices support from $7,892,000. to $8,109,000. or an increase of $217,000.
3. Move the responsibility of Johnson-O'Malley from the Bureau of Indian Affairs to the U.S. Department of Education; consolidate JOM with Title IV, Part "A" of the Indian Education Act; and, block grant $70,000,000. to the States.
4. Decrease the funding of Tribally Controlled Community Colleges from $11,335,000. to $ $10,903,000. or a decrease of $432,000.
5. Eliminates the Special Higher Education Program in FY87 which was funded at $1,939,000 in FY86. This Program funds students pursuing Graduate study through contracts with the American Indian Scholarship Program and Indian Law Program.
6. Transfers the Fellowships for Indian Students Program from the U.S. Department of Education, Title IV, IEA to the Bureau and merges the program with the BIA Special Higher Education Program. Decrease of $1,254,000. is requested after the merger.
7. Transfers the Special Enrichment Programs for Indian Schools from the U.S. Department of Education, Title IV, IEA and allows Bureau schools to qualify for these funds which were reserved for Indian Tribes, Schools, and Organizations in FY86.
8. As a result of the transfers referred to under number 6 and 7 above, the U.S. Department of Education "terminates" its assistance for Indian Controlled Schools and Indian Post Secondary assistance activities.

9. There are no construction funds requested for the construction of Bureau or Contract Schools in the FY87 Budget Request. During FY86, Two Eagle River School and Rocky Boy High School were randed number 1 and 2 respectfully for the construction funds and are still ranked number 1 and 2. However, neither school received funding for the construction of said facilities. This is the first time since World War II that no funds were made available to construct Indian Schools.

First, I would like to state that the Chippewa Cree Business Committee opposes the Administration's proposal to the transfer of the Johnson-O'Malley (JOM) Programs from the Bureau to the U.S. Department of Education based upon the following reasons:

1. Contrary to the FY87 Budget Justification Language, Title IV, Part "A" of the Indian Education Act does not duplicate Johnson-O'Malley Programs as documented by past evaluations, monitoring reports and GSA Reports.

2. Through the consolidation of Title IV, Part "A" with JOM and block granting these funds to State Departments of Education, you would circumvent President Reagan's "Federal/Tribal Relationship" policy he adopted two years ago.

3. The relationship of State Departments of Education and State Governments with Indian Tribes has been dismal in the past and we feel that this relationship will not improve through blockgranting Part "A" and JOM funds to the States.

4. The overhead or indirect costs for State Departments of Education will vary up to 50% for each grant and a large portion of the funds will be used for administration costs instead of the intent of the IEA and JOM--- that is to meet the "Special Educational and Cultural Needs of Indian Students."

5. During the week of February 17-21, 1986 the U.S. Department of Education met with representatives from State Departments of Education and only three States representatives agreed with the proposal to block grants Part "A" and JOM Programs to the States.

With decreasing funds being made available to directly impact Indian Education, the Chippewa Cree Tribe opposes increasing Agency and Area Office support by $217,000. or by 2.7%. The Bureau should be looking at "saving" funds at these two levels instead of requesting budget cuts for programs directly effecting the daily lives of Indian Children. Instead, the Bureau wants to increase their bureaucracy domain and decrease programs for Indian Children.

The Chippewa Cree Tribe opposes the decrease of funding for Indian Community Colleges by $432,000. With the recent approval of Stone Child College under the Tribally Community Colleges Act, we find ourselves financially strapped to operate a qualitity post-secondary institution at the FY86 Level. With the inroads Tribally Community Colleges have made during the past ten years, the U.S. Congress should consider funding the TCC's at a minimum level of $3,000. per FTE.

The Chippewa Cree Tribe supports the funding of the American Indian Scholarship, Inc. Program and Indian Law Program at the FY86 Level. We do not support the consolidation of this Program with the Indian Fellowship Program. Furthermore, we do not support the moving of the Indian Fellowship Program from the U.S. Department of Education to the Bureau. Finally, we do not support the proposal to decrease these two programs by $1,254,000 as proposed by the Bureau.

The Chippewa Cree Tribe opposes the transfer of Title IV, Part "B" Programs to the Bureau. Title IV, Part "B" Programs under the IEA should remain with the U.S. Department of Education and appropriations increased---not decreased.

The Chippewa Cree Tribe opposes the U.S. Department of Education's termination of the assistance they provide to Indian Controlled Schools and Post Secondary education.

The Chippewa Cree Tribe opposes the decrease in funds for Educational Standards. Instead, the Bureau should request additional funds to insure Indian people that Bureau and Tribal Contract Schools meets all Standards as called for under P.L. 95-471.

The Chippewa Cree Tribe strongly recommends that funds be made available for the construction of the Two Eagle River School and Rocky Boy High School. The construction of the Rocky Boy High School is the number one priority on the Rocky Boy Reservation as the present facilities are inadequate to meet the needs of secondary students on the reservation.

Mr. Chairman, in behalf of the Chippewa Cree Tribe, I would like to thank you very much for allowing me to testify in their behalf. I am available to answer any questions you may have regarding this testimony. If you have any specific questions regarding the Rocky Boy Reservation, the Chippewa Cree Tribe will respond to these questions in writing and will submit their responses directly to your office for inclusion into the Record.

Thank You.

Dr Michael P. Doss   3/6/86
Dr. Michael P. Doss   Date

ATTEST

The Chippewa Cree Business Committee approved the testimony presented above on February 26 , 1986 by a vote of 7 for, 0 opposed, 1 not voting, and 1 excused.

Rocky S Stump   Feb. 26, 1986
Rocky Stump, Tribal Chairman   Date
Chippewa Cree Business Committee

FRIDAY, MARCH 7, 1986.

TITLE IV

WITNESSES

MICHAEL STEPETIN, NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION

GRACE GOODEAGLE

LINCOLN WHITE

Mr. YATES. All right, National Advisory Committee on Indian Education.

Mr. STEPETIN. Vice Chairperson Grace Goodeagle is on my left, along with Dr. Lincoln White, Executive Director. I am here on behalf of the National Advisory Committee on Indian Education, NACIE.

Today we are testifying on proposed fiscal year 1987 budgets for the Department of Education's Indian Education Programs and the Department of the Interior Bureau of Indian Affairs' Office of Indian Education Programs, as prepared by the Office of Management and Budget, the Education Department and the Department of the Interior.

NACIE's advisory role, as mandated in Public Law 92-318, the Indian Education Act of 1972, as amended, is to inform the Secretary of Education, the Congress, and the President of the United States on all matters that affect Indian education, after due consultation with American Indians and Alaska Natives.

The Council is shocked and opposed to the apparent disregard for this role in the development of proposed changes in the structure of Indian education. The lack of consultation between these Federal entities and NACIE is in direct conflict with our earlier stated mandate.

The Council must be involved prior to the drafting of all proposed fiscal and program changes that directly affect Indian education.

It also concerns NACIE that there has been no consultation between the tribes, pertinent Federal agencies, and the States prior to the proposed fiscal year 1987 fiscal and program changes.

The benchmark for insuring consultation between the tribes and the Federal Government prior to legislative and/or budget proposals in Public Law 93-638, the Indian Self-Determination and Education Assistance Act.

Upon examination of the proposed fiscal year 1987 budgets for the Department of Education's Indian Education Programs Office and the Department of the Interior Bureau of Indian Affairs' Office of Indian Education Programs, it is apparent that the proposed restructuring and reprogramming will seriously alter the original intent of Public Law 92-318, the Indian Education Act, as amended, and Public Law 93-638, the Indian Self-Determination and Education Assistance Act.

More specifically, the proposed fiscal year 1987 budgets for these two Federal Indian education programs includes:

One, merging Title IV, Part A and the Johnson O'Malley Program into block grants that will be administered by the states; and, two, transferring the Education Department's Title IV, Part B to the Interior Department.

NACIE is concerned that the Office of Management and Budget, Department of Education, and the Department of the Interior are directing Indian education policies through administrative and budgetary channels rather than through the proper channels that incorporate Indian people's decisions.

At this time, NACIE is opposed to any legislative proposals that would bring about any restructuring of Public Law 92-318, the Indian Education Act of 1972, as amended, Title IV.

The proposed merger of Title IV, Part A and the Johnson O'Malley Program that would be implemented through block grants to the states is an Indian concern that deserves careful study. We do not know if all states are equipped to handle Federal Indian education programs.

In addition to the block grant issue is the transference of Title IV, Part B services to the Department of the Interior.

Transferring Title IV, Part B to the Interior Department will seriously disrupt funding continuity as the Indian student constituency served by the Interior Department is much different than the students served by the Education Department.

To this day, there are Indian programs in this country that are in extreme need of financial assistance; they will suffer greatly from the proposed 4.3 percent cuts scheduled for fiscal year 1986.

The Council is aware of the current need to reduce the Federal deficit and the resulting austerity in allocating Federal monies; in general, we support these fiscal policies.

But the continuation of current Indian education programs operated by the Federal Government, which have helped to improve the overall level of Indian education, is essential.

NACIE recommends, one, that Public Law 92-318, the Indian Education Act of 1972, as amended, remain intact until there is evidence that any changes in program services and administrative services and procedures are justified.

Two, that the Department of the Interior continue to provide Johnson O'Malley services through its Office of Indian Education Programs, being that the JOM program has not changed, and is still a vital educational service to American Indians.

Three, that any proposed movement of funds and programs insure the preservation of the specific, unique characteristics of each respective program in the Department of Education and the Department of the Interior.

Four, that the United States Congress impress upon the Department of Education and the Department of the Interior to consult with NACIE in matters that affect the quality of Indian education.

Five, that the United States Congress impress upon the Department of Education and the Department of the Interior to have thorough and extensive consultation with the American Indian and Alaska Native constituents before there are any changed in the structure of Federal Indian education programs.

And six, that the NACIE continue its lead responsibility for gathering information, coordinating assistance from national Indian tribes and organizations with interests in education, and developing specific recommendations to be used in drafting legislation for all Federal Indian education programs, and that the NACIE budget be funded at a level sufficient enough to meet any Congressional mandates.

This concludes my testimony. Thank you for this opportunity.

Of all the councils appointed by the President, or Secretarial appointments, we find that our Indian Council is low man on the totem pole, if you will. Therefore, we are unable to follow your mandates. I want to thank you.

Mr. YATES. Thank you very much. We appreciate your coming.

[The statement of Mr. Stepetin follows:]

NATIONAL
ADVISORY COUNCIL
ON INDIAN EDUCATION

2000 L Street, N.W.,Suite 574
Washington, D.C. 20036
(202) 634-6160

TESTIMONY

to

**HOUSE APPROPRIATIONS SUBCOMMITTEE FOR
INTERIOR AND RELATED AGENCIES**

B-308 Rayburn House Office Building
Washington, DC 20515

March 7, 1986

by

NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION
Michael Stepetin, Chairman

accompanied by

Grace Goodeagle, Vice Chairperson

Lincoln White, Executive Director

A Presidential Council Established by Congress

Mr. Chairman, members of the House Appropriations Subcommittee for Interior and Related Agencies, I thank you for the opportunity to appear today. I am here in behalf of the National Advisory Council on Indian Education (NACIE). Today we are testifying on proposed fiscal year 1987 budgets for the Department of Education's Indian Education Programs (IEP) and the Department of the Interior-Bureau of Indian Affairs' Office of Indian Education Programs (OIEP), as prepared by the Office of Management and Budget, the Department of Education, and the Department of the Interior. The proposed FY'87 budget for IEP is $75,729,000. The proposed FY'87 budget for OIEP is $217,308,000, which includes $0 for the Johnson O'Malley Program, $20,212,000 for the Continuing Education Program, and $11,500,000 for the Base Transfer from the Education Department.

The National Advisory Council on Indian Education, as mandated in P.L. 92-318, "The Indian Education Act of 1972," as amended, Sec. 442 (b)(1), "...shall advise the Secretary of Education with respect to the administration (including the development of regulations and of administrative practices and policies) of any program in which Indian children or adults participate from which they can benefit ... and with respect to adequate funding thereof;" (See Appendix A)

The Council is shocked and opposed to the apparent disregard for our advisory role in the development of proposed changes in the structure of Indian education. The lack of consultation between these federal entities and NACIE is in direct conflict with our earlier stated mandate. The Council must be involved prior to the drafting of all proposed fiscal and program changes that directly affect Indian education.

It concerns NACIE that there has been no consultation between the tribes, pertinent federal agencies, and the States prior to the proposed FY'87 fiscal and program changes. The benchmark for insuring consultation between the tribes and the Federal government prior to legislative and/or budget proposals is P.L. 93-638, "Indian Self-Determination and Education Assistance Act". This Federal trust responsibility to Indian education is most explicit in the opening language of this Act:

> The Congress hereby recognizes the obligation of the United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational as well as other Federal services to Indian communities so as to render such services more responsive to the needs and desires of those communities.

Indian people acknowledge the legal and political relationship that has existed between the United States government and the Indian tribes for almost 200 years, as substantiated by treaties, federal laws, judicial decisions and executive orders. NACIE upholds this legal and political relationship and feels that the proposed changes violate this agreement.

Upon examination of the proposed FY'87 budgets for the Department of Education's Indian Education Programs Office (IEP) and the Department of the Interior-Bureau of Indian Affairs' Office of Indian Education Programs (OIEP) it is apparent that the proposed restructuring and reprogramming will seriously alter the original intent of P.L. 92-318, "The Indian Education Act," as amended, and P.L. 93-638, "The Indian Self-Determination and Education Assistance Act." The Department of Education's proposed FY'87 budget for Indian education includes:

4. Indian Education
(BA in millions)

	1986		1987
	Enacted	Postsequestration Level	Request
State grants......................	—	—	$70.3
Payments to LEA's and Indian-controlled schools (Part A)...	$50.0	$47.9	—
Adult education....................	2.9	2.8	2.9
Special programs for Indian Students (Part B)..............	11.9	11.3	—
Program administration...........	2.3	2.2	2.5
Total..........................	67.1	64.2	75.7

The Indian Education Act authorizes a variety of programs which address the goal of equal educational opportunity for American Indians. For 1987, the Administration is presenting its first proposal for reauthorization and restructuring of these programs.

... because Department of the Interior (DOI) education programs are based on the historic relationship between the Federal Government and Indian tribal governments, it is appropriate for Interior to administer all programs assisting the schools controlled by its Bureau of Indian Affairs or by Indian tribes. In addition, because DOI has had a longer and broader experience in administering graduate fellowship programs for Indian students, these programs should be consolidated under the Interior Department.

The Department of Education would assume responsibility, now carried out under the Indian Education Act and DOI's Johnson-O'Malley Act, for assisting local educational agencies to improve educational opportunities for Indian children. This would be accomplished under a new State Formula Grant program. The Department's assistance to Indian-controlled schools and its Indian postsecondary student assistance activities would be terminated, as these responsibilities would be consolidated under the Department of the Interior.[1]

NACIE is concerned that the Office of Management and Budget, Department of Education, and the Department of the Interior are directing Indian education policies through administrative and budgetary channels rather than through the proper channels that incorporate Indian people's decisions. Therefore, this proposal is in direct conflict with the authority of:

a) NACIE to be involved in all matters of Indian education that affect Indian students (P.L. 92-318); and
b) the right of Indians for self-determination in education (P.L. 93-638).

At this time, NACIE is opposed to any legislative proposals that would bring about any restructuring of P.L. 92-318, "The Indian Education Act of 1972," as amended [Title IV]. The proposed merger of Title IV, Part A and the Johnson O'Malley Program that would be implemented through block grants to the States is an Indian concern that deserves careful study. We do not know if all States are equipped to handle Federal Indian education programs. In our 11th Annual Report to the Congress, there is a breakdown by State of where Title IV, Part A funds are being allocated. (See Appendix B) Last year this

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[1] Department of Education Fiscal Year 1987 Budget, p. 16-17.

Council presented testimony to the U.S Congress supporting the non-duplication services of Title IV, Part A and the JOM Program. We continue to support that testimony.[2] How will the proposed movement of funds and programs preserve the specific, unique characteristics of each respective program?

In addition to the block grant issue is the transference of Title IV, Part B services to the Department of Interior. Transfering Title IV, Part B to the Interior Department will seriously disrupt funding continuity as the Indian student constituency served by the Interior Department is much different than the students served by the Education Department. NACIE will comment further when the proposed Indian education bill associated with these changes is introduced in Congress and hearings are held.

Council members have been contacted from around the country asking for explanations of the proposed fiscal and legislative changes in programs that directly affect the education of Indians. NACIE responds to Indian country. Most recently this Council presented our 11th Annual Report to the Congress of the United States. Included in this report is a statement on the continuance of current Federal Indian education programs:

> Judging by the details of the Title IV public hearing reports, public testimony by Indians, and related supportive information, the Congress of the United States and the Administration definitely should continue to authorize educational services sponsored under statutes such as P.L. 92-318, as amended. These indications strongly support the need of continued Indian education activities and programming.[3]

To this day, there are Indian programs in this country that are in extreme need of financial assistance; they will suffer greatly from the proposed 4.3% cuts scheduled for fiscal year 1986. The Council is aware of the current need to reduce the Federal deficit and the resulting austerity in allocating Federal monies; in general we support these fiscal policies. But the continuation of current Indian education programs operated by the Federal Government, which have helped to improve the overall level of Indian education, is essential.

NACIE strongly supports the continued funding and programmatic continuity of all federal Indian education programs operated by the Department of the Interior-Bureau of Indian Affairs and the Department of Education. The continuation of these programs as they operate within the trust responsibility between the Federal government and Indian tribes.

NACIE was not apprised of the proposed fiscal year 1987 budget and program changes until after the President presented his budget on February 5, 1986. NACIE did not obtain a copy of the Department of Education's FY'87 budget proposal for Indian education until February 10, 1986. More substantive data supporting our concerns can be supplied at a later date.

NACIE recommends:

1. that P.L. 92-318, "The Indian Education Act of 1972," as amended, remain intact until there is evidence that any changes in program services and administrative services and procedures are justified;

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2. From Senate Hearing 99-142, "Fiscal Year 1986 Budget," p. 120-130.
3. NACIE Eleventh Annual Report to Congress, 1985, p.5.

2. that the Department of the Interior continue to provide Johnson O'Malley (JOM) services through its Office of Indian Education Programs, being that the JOM Program has not changed, is still a vital educational service to American Indians;

3. that any proposed movement of funds and programs insure the preservation of the specific, unique characteristics of each respective program in the Department of Education and the Department of the Interior;

4. that the U.S. Congress impress upon the Department of Education and the Department of the Interior to consult with NACIE in matters that affect the quality of Indian education;

5. that the U.S. Congress impress upon the Department of Education and the Department of the Interior to have thorough and extensive consultation with the American Indian and Alaska Native constituents before there are any changes in the structure of Federal Indian education programs; and

6. that the NACIE continue its lead responsibility for gathering information, coordinating assistance from national Indian tribes and organizations with interests in education, and developing of specific recommendations to be used in drafting legislation for all Federal Indian education programs, and that the NACIE budget be funded at a level sufficient enough to meet our congressional mandates. (See Appendix C)

NACIE concludes this testimony with a quote from, "A 'Working Paper' Prepared for the National Advisory Council on Indian Education," by Mr. Kurt Blue Dog, Attorney, Native American Rights Fund, July 7, 1979:

> The historical involvement of the Federal Government in the education of the American Indian, however, has always carried with it one clear and consistent underlying theme: the Federal Government has both explicitly and implicitly acknowledged that there is a Federal responsibility to Indian education. This Federal responsibility to Indian education is as important to the contemporary Indian as it was to his ancestors. The continued acknowledgement of the Federal responsibility to Indian education will provide the foundation of the Indian society as it moves forward to meet and accept new challenges.

Appendix A
From NACIE 10th Annual Report,
1984, p. 7-8.

NACIE FUNCTIONS

The Council shall advise the Congress and the Secretary of Education with regard to programs benefiting Indian children and adults. More specifically, the Council shall:

1. Submit to the Secretary a list of nominees for the position of Director of Indian Education Programs;
2. Advise the Secretary of Education with respect to the administration (including the development of regulations and of administrative practices and policies) of any program in which Indian children and adults participate from which they can benefit, including Title III of the Act of September 30, 1950 (P.L. 81-874) and Section 810; Title VIII of the Elementary and Secondary Education Act of 1965 (as added by Title IV of P.L. 92-318 and amended by P.L. 93-380), and with respect to adequate funding thereof;
3. Review applications for assistance under Title III of the Act of September 30, 1950 (P.L. 81-874), Section 810 of Title VIII of the Elementary and Secondary Act of 1965 as amended, and Section 314 of the Adult Education Act (as added by Title IV of P.L. 92-318), and make recommendations to the Secretary with respect to their approval;
4. Evaluate programs and projects carried out under any program of the Department of Education in which Indian children or adults can participate or from which they can benefit, and disseminate the results of such evaluations;
5. Provide technical assistance to local educational agencies and to Indian education agencies, institutions, and organizations to assist them in improving the education of Indian children;
6. Assist the Secretary of Education in developing criteria and regulations for the administration and evaluation of grants made under Section 303(b) of the Act of September 30, 1950 (P.L. 81-874) as added by Title IV, Part A of P.L. 92-318;
7. Submit to the Congress not later than March 31 of each year a report on its activities, which shall include any recommendations it may deem necessary for the improvement of Federal education programs in which Indian children and adults participate or from which they can benefit, which report shall include a statement of the Council's recommendations to the Secretary with respect to the funding of any such programs; and,
8. Be consulted by the Secretary of Education regarding the definition of the term "Indian."

Appendix B
From NACIE 11th Annual Report, 1985, p. 34.

TABLE 1

TITLE IV, PART A -- LOCAL EDUCATIONAL AGENCIES (LEA) STATE-BY-STATE DISTRIBUTION OF FY 1984 FUNDS

State	Number of Grants	Amount
ALABAMA	9	$ 808,683
ALASKA	45	6,585,634
ARIZONA	65	4,264,162
ARKANSAS	2	121,794
CALIFORNIA	131	3,878,623
COLORADO	6	230,317
CONNECTICUT	3	34,870
FLORIDA	6	66,832
HAWAII	1	12,146
IDAHO	12	206,992
ILLINOIS	2	122,844
INDIANA	2	7,253
IOWA	4	95,102
KANSAS	8	197,896
LOUISIANA	6	368,097
MAINE	4	41,836
MARYLAND	6	164,589
MASSACHUSETTS	2	70,953
MICHIGAN	86	2,120,182
MINNESOTA	53	1,566,768
MISSISSIPPI	5	16,951
MISSOURI	1	2,689
MONTANA	40	1,641,475
NEBRASKA	9	260,836
NEVADA	10	330,406
NEW JERSEY	3	57,915
NEW MEXICO	26	3,457,638
NEW YORK	16	994,116
NORTH CAROLINA	24	1,756,365
NORTH DAKOTA	20	665,394
OHIO	3	94,086
OKLAHOMA	306	9,940,173
OREGON	22	836,760
RHODE ISLAND	2	27,321
SOUTH DAKOTA	30	1,301,449
TEXAS	3	93,374
UTAH	14	510,798
VERMONT	1	56,285
VIRGINIA	2	18,072
WASHINGTON	74	2,104,065
WISCONSIN	40	997,951
WYOMING	7	280,308
TOTAL	1,112	$46,400,000

Appendix C

NACIE Budget

NACIE is the only Indian education Presidentially Appointed Council at the "Executive Agency" level that has mandates to oversee federal Indian education. The fifteen member Council, comprised of American Indians and Alaska Natives, has the responsibility to advise the Congress and the Administration on how the constituency feels about the federal programs. The main vehicle of communication is through public hearings and through on-site school and project visits throughout the Nation.

In Fiscal Year 1986, NACIE will not be able to hold the required minimum of two full Council meetings to carry out its mission because of a lack of funds. Prior to the enactment of the Gramm-Rudman-Hollings Budget Deficit Act, the NACIE budget was at $221,700. The 4.3% decreased the NACIE budget to $212,000. One unanticipated budget item was for NACIE to conduct a "Search" for candidates for the Directorship of the Title IV, Indian Education Programs Office. The estimated cost for this was $9022, which was intended for Council travel. After the fiscal charges are encumbered, very little is left for the Council to travel and to be compensated for carrying out NACIE functions. It is estimated that at least $40,000 more will be needed to carry out FY'86 activities.

The proposed FY'87 NACIE budget of $286,000, includes a newly imposed charge for centrally controlled costs (rent, telephone, mail) of approximately $44,600. This leaves approximately $241,600 for the operating budget. After the fixed costs for staff compensation and benefits, printing, maintenance, etc., the NACIE budget stills falls short of approximately $65,210 to carry out the FY'87 mandated activities. (NACIE's requested FY'87 budget is $351,210.)

NACIE's budget requests are not unreasonable. The NACIE budget, when compared to the other four Presidentially Appointed National Advisory Councils in the Department of Education, is the lowest. The others are comparable in FTE and in size of the Council, yet their budgets ranged from $295,000 to $243,000 in FY'85. NACIE was at $225,000.

NACIE requests adequate funding to insure that the Congress and the Administration are aware of how American Indians and Alaska Natives feel about the federal Indian education programs and services.

Friday, March 7, 1986.

JOHNSON O'MALLEY PROGRAM

WITNESS

ANDREW LEE, JUNEAU INDIAN EDUCATION CORPORATION

Mr. Yates. Eastern Cherokees, Mr. Taylor.

Upper Colorado River Commission, Gerald Zimmerman.

Comanche Tribe.

Juneau Indian Education Corporation, glad to have the Juneau Indians. We are glad to have you, sir. What is it you want the committee to do?

Mr. Lee. I represent the Juneau Indian Education Corporation, and my name is Andy Lee, Director of the local Johnson O'Malley Programs, and the network of Johnson O'Malley Program in southeast Alaska.

We are concerned about the transfer of JOM funds to the Department of Education. We oppose that very heatedly, and would like to see the funding levels remain the same as the original amounts in 1985 and 1986, untouched.

Also, we would like clearer guidelines regarding the terms basic and supplemental in regards to use of JOM funding for cultural, educational or recreational purposes, which would alleviate some of the criticisms of our programs at the Federal level by evaluators and people who come in and check the accountability of our programs.

We think this would alleviate a great deal of criticism if our program had better definitions in regard to what was the purpose of the funding.

Also, we are concerned about restructuring of the distribution formula mandated by the Education Amendments of 1978.

We would like to see increased participation by all tribes on a nationwide basis, and one of our suggestions was balloting should be sent directly to contractors who have a more vested interest in the balloting, and could get better cooperation from tribal government bodies in terms of their participation in the election or in the department.

While opposing the transfer to the Department of Education, in terms of the amount of money we receive, within Alaska, we have received what we feel is an equitable share.

We are not asking for an increase, but only that the funding remain the same and be untouched. We have further information that I feel would be better read, but I would like to say that I am representing the tribes throughout southeast Alaska, the Tsimpsian, Haida and Tlingit, and we are very united in our feelings that the program not be eliminated.

[The statement of Mr. Lee follows:]

PREPARED STATEMENT ON THE PROPOSED
ELIMINATION OF JOHNSON-O'MALLEY FUNDS
FROM THE FY '87 BUDGET

PRESENTED BY

ANDREW R. LEE, DIRECTOR
JUNEAU, ALASKA JOHNSON-O'MALLEY PROGRAM
MARCH 7, 1986

Mr. Chairman and members of the committee. It is a great honor for me to be able to address this body on behalf of those services provided by the program known as Johnson-O'Malley. As you know, Johnson-O'Malley (J.O.M.) is on the verge of being eliminated from FY 87 budget by the current administration.

In 1975, Congress passed legislation known as the Indian Self-Determination and Education Assistance Act. In 1976, our local Native people banded together and began the first J.O.M. program. Now, ten years later, the Federal government is proposing that the bridge to true self-determination be drawn up. Gentlemen, that bridge is education and each year roughly 23,000 Alaska Native children seek to cross that bridge which has become so vital. Where previously B.I.A. schools might have provided the impetus for many to achieve true self-determination, those schools have now fallen prey to past budgets, leaving Native students to attend public schools. The impact of the B.I.A. school closings was greatly softened by the availability of J.O.M. programs within public schools. These programs have provided a wide range of supplemental education support ranging from tutorial assistance to counseling and leadership activities.

Supplementary education assistance is authorized by 25 U.S.C. 13 (the Snyder Act of November 2, 1921), the basic authority under which the Secretary (Interior) provided educational and other services to federally recognized Indian tribes. The Johnson-O'Malley Act of April 16, 1934, authorized funding to support the basic education of Indian students in Public Schools. The Indian Self-Determination Act of January 4, 1975, P.L. 93-638, amended the J.O.M. Act by providing funds to meet the unique and special needs of Indian Children. The Education Amendments of 1978 dated November 1, 1978, P.L. 95-561, authorized the development of an equitable distribution formula for supplemental funds.

Supplemental programs are defined in the federal regulations as "those programs designed to meet the specialized and unique educational needs of eligible Indian students which may have resulted from socio-economic conditions of the parents, from cultural or language differences.

I submit to you, the committee, the 23,000 Alaska Native children or the 190,000+ Indian children in America today are no less special than their predecessors of 1921, no less unique than the Indian children of 1934. If tribal culture and modern education are to merge and prosper, J.O.M. can be a catalyst.

J.O.M. programs provide, in Alaska alone, employment for 443 persons. In rural villages where unemployment rates are at 90%, loss of J.O.M. jobs will have serious economic and educational impact.

At our local level, we have been reduced to a staff of 12 adults providing services to 1060 eligible students - a sometimes overwhelming task, achieved only with dedication and cooperation with the local school district (Juneau-Douglas) to assure a lack of duplication and supplanting of primary programs. The current program includes 3 components; Secondary academic assistance, Primary tutoring and a Preschool Program (with a never-ending waiting list).

Further should JOM programs be given over to local school districts, Native Education Committees in school districts without School Board representation of Alaskan Natives (eg. Juneau-Douglas School District (1) Native representative in the districts history) will suffer tremendously in terms of 1) loss of program control 2) direct input into program priorities 3) loss of community leadership in education 4) an erosion of overall Alaskan Native input into programs affecting their children.

Our leaders realize the current budget situation and ask not for additional dollars only that original FY 86 levels be maintained.

FRIDAY, MARCH 7, 1986.

INDIAN HEALTH SERVICE

WITNESSES

ED TAYLOR, EASTERN BAND OF CHEROKEE INDIANS
DAN McCOY

Mr. YATES. The Eastern Band of Cherokee.

Mr. TAYLOR. Mr. Chairman, I would like to say I have my statement in writing, and make it part of the record.

[The statement of Mr. Taylor follows:]

PREPARED STATEMENT OF
JONATHAN L. TAYLOR
February 18, 1986

Mr. Chairman, I am Jonathan L. Taylor, Health Director and former Chairman, Tribal Council of the Eastern Band of Cherokee Indians, Cherokee, North Carolina. Accompanying me is the present Chairman of Tribal Council, Dan McCoy. We thank you for the opportunity of appearing before this Committee.

Mr. Chairman, we are here today to express the dismay and discouragement that our people in cherokee are feeling as a result of the FY 1987 Budget proposed by the President. Likewise, feelings are running high against the proposed reductions in FY 1986 mandated by the Gramm-Rudman-Hollings Amendment.

Our tribe has enjoyed a long and fruitful relationship with the Congress of the United States. You have shown in the past that you will continue to respond to our needs as expressed across the board. For that, Mr. Chairman, the Eastern Band of Cherokee Indians will remain eternally grateful. We do appreciate the modern facilities that grace our reservation. Namely, a hospital, high school, museum, art & crafts building, visitors' center, multi-purpose facility, etc. Nearly all of these facilities have materialized as a result of our working in close harmony with the Congress of the United States. We are hopeful that this unique relationship will continue to foster development on our reservation.

Mr. Chairman, the Indian people in America have always responded to crisis situations when asked to do so. Witness our high rate of voluntary military service, both in wartime and peacetime. Thus, we can understand the problems growing out of the huge federal deficits and the cumulative effects that may have upon the world economy. In this matter, we want to help the rest of America save money. But, as the President has proposed, we find ourselves unable to do so. And, in some cases, our people are unwilling to help. Nevertheless, as tribal leaders, we must act to present our case to you in the best manner that speaks for all of our people.

Today, our people face a challenge that is as serious as the termination bills of the Eisenhower Administration. Fortunately, while there are no pending bills to terminate us currently before you, the Reagan Administration, through administrative fiat, is threatening to starve us to death. On Indian reservations throughout the land, we hear and see frustrations and misgivings regarding the near and long term futures of our children. Yes, we are barely able to feed and clothe them so that they can attend school. But, we can't assure them of a bright and industrious future after graduation given the FY 1987 Reagan Budget and the FY 1986 mandated reductions of the Gramm-Rudman-Hollings Amendements.

For the first time since the Lyndon B. Johnson Adminstration, the Indian people have nothing positive to look forward to, nor the inclination to propose new ideas to the federal government. We had high hopes with the advent of the OEO Programs, such as the Community Action Agencies, Indian Housing, the Indian Action Teams, Head Start, Community Health Representatives, etc., and finally, P. L. 93-638, the Indian Self-Determination and Education Assistance Act. With the birth and implementation of programs such as the above, the Indian people experienced unprecedented growth and progress over the last twenty years or more. Moreover, there was always hope and desire to accomplish even more the next year. Now, this spirit has been eroded. With

Gramm-Rudman-Hollings in effect, and with a White House bent upon social change forced by funding cuts, we tribal leaders are as confused and concerned about our people's lives as are Governors and Mayors across America regarding their constituencies.

Mr. Chairman, what can our tribal leaders offer to the Indian people as hope, or even point to as a positive signal to grasp as evidence that the treaties our ancestors signed in good faith are still meaningful today? What practical measures can we point to when the President of the United States proposed an INCREASE in Defense spending while he proposes at the same time to ELIMINATE programs that Indian reservations (and other communities) desperately need? We don't have a tax base on the reservation because of the trust status of our lands.

Therefore, an increase in taxation isn't an alternative for Indian Tribes. We need Federal Revenue Sharing! We need Indian Housing for our people! We need Community Block Grants for community facilities! We need the Small Business Administration for procurement of federal contracts and for loans to our developing small business group! We need the Urban Development Action Grant program to entice private investment on our reservation! We need the Economic Development Administration to continue planning and special technical assistance grants to foster development projects, which can provide jobs for our people! We need the Tennessee Valley Authority to continue vital tourism and energy programs in the Great Smoky Mountains region! We need to continue Public Health Service training grants to enhance the availability of health professionals to work in Indian Health Service facilities, including our own! We need every dollar available to continue Bureau of Indian Affairs programs at the FY85 levels! We need every dollar that is appropriated for the Indian Health Service programs at the FY 1985 levels, particularly in the Community Health Representatives, Mental Health/Alcoholism projects, and Contract Health Services. These affected federal programs impact heavily upon the daily lives of our people at Cherokee and on other reservations throughout America.

The historical relationship between the American Indian people and the U.S. Government has not been too keen for either party, nor does it speak well for this great democracy whenever it speaks out against other nations and their violations of their own people's human rights. We have gone through several major Policy Initiatives over the course of history including Annihilation, Removal, Assimilation, Termination, and now, Self-Determination. Each has attempted to address the problems of Federal-Indian Affairs. The latest Federal Policy of Self-Determination has inherent goals and objectives, as well as initiatives toward Indian self-government. However, through bureaucratic manipulations, the intent and wisdom of the Congress has been effectively gutted. The Gramm-Rudman-Hollings Amendments doesn't address this Standing Federal Policy recognized by all three branches of the Federal Government. To review briefly, P.L. 93-638 became law as an outgrowth of exhaustive research done by the American Indian Policy Review Commission in the early 1970's. This law is now more than ten (10) years old. The mood of the Congress at that time was toward formulation of a seperate Department of Indian Affairs. This would consolidate all funding and programs for Indians into one concise organization. Had that occurred, the Indian people would be better equipped to deal with Gramm-Rudman-Hollings and the President's Budget Proposal for FY 1987.

Mr. Chairman, we believe that the Indian people deserve better. We have tried, and to some extent, have succeeded in working within the Federal Standing Policy of Indian Self-Determination. But we can't overcome two hundred years of oppressive policies in just ten (10) years. Only recently have certain Indian tribes attained limited success in developing a sound local economy for their people and their communities. However, Mr. Chairman, you can count these successes on one hand. They were built with programs like UDAG, EDA, BIA, ANA, HUD and the private sector all working collectively toward one goal/objective. Thus, Mr. Chairman, just when the Federal Policy of Indian Self-Determination is beginning to pay off for Indians, the very programs that spawned these very few successes are either being gutted by Gramm-Rudman-Hollings, or being proposed for outright elimination by the President of the United States. To reiterate my earlier remarks, Mr. Chairman, tribal leaders are confused and concerned by these latest developments in Washington. I believe that we are joined in our amazement by several Governors and Mayors across this great land.

Finally, Mr. Chairman, we believe that existing treaties and specific legislation preclude Indians being cast into one lot called ENTITLEMENTS. Our rights, established by treaties, prescribed in the Constitution of the United States, reinforced by Congressional actions, and upheld by the Supreme Court of the United States, would appear to offset the mandates of Gramm-Rudman-Hollings as specifically affecting Indians. The Indian people, by invoking the Standing Policy of Self-Determination, deserve a fair and thorough hearing of their reservation-specific funding needs before the U.S. Congress. Never mind the proposed FY 1987 Budget of the Reagan Administration. We wish for the U. S. Congress to hear our case as was the intent and wisdom expressed by the Congress in the enactment of P. L. 93-638, the Indian Self-Determination and Education Assistance Act. We believe that the Indian tribes, through the various Committees in both the House of Representatives and the Senate, can more effectively articulate their real needs and own funding priorities in a manner that is more realistic and practical than those advanced by the Reagan Administration. After all, the real relationship between the Indian tribes and the Federal Government is established in the U. S. Congress. As previously stated, the American Indian people have always volunteered in the past to help America. I have complete trust that the Indian people will stand ready to do their part in overcoming this budget deficit problem. We want strong economies on our reservation, too. We, too, wish to see the waste of precious funds stop now. Our only hopes of establishing an economic base for our people is to continue to look to the private sector. However, we still need the assistance of the Federal Government to help us make the transition. Thank you for this opportunity to express the wishes of my people, Mr. Chairman.

Mr. TAYLOR. With me today is Dan McCoy, Chairman of the Tribal Council, and I would like for him to make a statement.

Mr. YATES. He can make a statement.

Mr. McCOY. Speaking for the Eastern Band of Cherokee Indians of North Carolina——

Mr. YATES. Have they come out of the mountains yet?

Mr. McCOY. No, they are still there, still blocked in.

I have a statement here that is testimony I have written up, and Mr. Taylor has one he presented, and they are pretty much similar.

My statement deals with Indian Health Service, Bureau of Indian Affairs and HUD housing. What I would like for this committee to do is look at the statement and take it for fact, as it is. I am speaking for the Indian country as a whole, the way I see it across the country, and the statement is self-explanatory.

[The statement of Mr. McCoy follows:]

TESTIMONY BY DAN McCoy
TO HOUSE AND INSULAR AFFAIRS COMMITTEE
WASHINGTON, D.C.

Mr. Chairman & Committee members: I am Dan McCoy, Chairman of Tribal Council, Eastern Band of Cherokee Indians of North Carolina. Accompanying me is Mr. Jonathan L. Taylor former Chairman and the present Director of our Tribal Health Programs. First, we wish to thank you and express our appreciation for the opportunity to appear before you today.

Mr. Chairman, the Eastern Band of Cherokee Indians has had a good working relationship with Congress over the years. This Committee and Congress has always listend to our desires with an open mind and in many cases has acted favorable in our behalf. For this we are greatful. Mr. Chairman, we are mindful of the help we have gotten in the past. Our improved education and health care and the increase in trust responsibility which we have received from the Bureau of Indian Affairs. All of these things has come to pass because of our relationship with Congress; a relationship based on mutual respect.

Mr. Chairman, today we are both discouraged and confused. The reason for these feelings are the Gramm-Rudman-Hollings Amendment to the budgets of 1986 and the President's proposed budget of 1987. Mr. Chairman, I know you and this Committee and the members of Congress have a hard job trying to sort out these things in order to determine what would be best for our Country. I have come here today to ask you to consider a few facts before making your decision. Mr. Chairman, We have never failed to do our part for our country whether it be in the military or as citizens. As citizens we feel it is our duty to tell you how detrimental these budget cuts will be for our people. When Congress did a study of Indian health care, they found that its quality was far below the National average. Congress passed PL 94-437, the Indian Health Care Improvement Act, less than 10 years ago. We have not had time to overcome all the deficiencies, but we have made progress. Now, the Gramm-Rudman-Hollings law comes into effect and the President announced a severely reduced budget of 1987. We are back where we started from. Indian people across our country have the highest rate of disease in the nation: diabetes, cancer, heart problems, alcoholism, and teen suicide. We cannot overcome these problems over night. This is why the proposed budget reductions would be destructive to what we now have achieved in the last few years. Mr. Chairman, we are making progress, but have a long way to go. We desparetly need to continue such programs as the Community Health Representatives, Alcoholism & Mental Health, Environmental Health, Otitis Media, Drug Prevention, Emergency Medical Services, and Home Health Care. Mr. Chairman and Committee members, any budget cuts now or later would be detriment to our hospital. At present we do not have enough Contract Medical Care money to provide our people with the necessary medical treatment they need. Mr. Chairman, we have a growing waiting list of people who need non-critical operations. In some cases by the time they get the original health care they need, their condition is worse and they need emergency treatment then. Thanks to the good graces and unselfish concern of Congress several years ago we now have an excellent facility. However, it will not remain so with the proposed budget cuts.

Mr. Chairman, we must maintain Joint Commission of Accreditation of Hospitals (JCAH). With the proposed budget cuts this may be impossible. Budget cuts would effect the efficiency of our hospital from the Housekeeping through the medical treatment. The White House wants a balanced budget but we must not sacrifice the health of our Indian people to get it. Finally, the present budget will not cover our needs for dental care. It is the custom with my people to give priority to our young people. At present, we have approximately 500 adults waiting to be seen by our Dental office, and some people have to wait 6 to 8 months to see the dentist. With the proposed budget cuts this situation will become deplorable.

Mr. Chairman, I am sure I need not remind you that the U.S. Government has trust responsibilities to Indian Tribes through the Bureau of Indian Affairs (BIA). With the proposed budget, the BIA is going to be faced with the responsibility of trying to do the job with less money. In our local agency when an employee retires or transfers, we can't replace them due to the BIA's overtaken budget. Several programs from BIA, which our Tribe is not contracting will be severly effected by the President's reduction and Gramm-Rudmann-Hollings. Such trust responsibilities programs as Realty, Forestry, Education, Natural Resources, HIP Housing and Social Programs. We have already taken a severe cut in BIA Housing and we still have Indian families living in sub-standard housing, which brings me to the HUD Indian

Housing Program. Mr. Chairman, this program is scheduled to take the hardest reduction. We at Cherokee have one of the best housing programs in the nation, thanks again to the previous support of our good friends in Congress. Lets not cut a program that serves our people so well. These are not homes that are given away. Our people pay for them. The HUD program serves as a good pay-based-on-income program that helps our people get adequate housing . Not only Indians but all Americans will be affected if this program is undermined. On our Reservation we have constructed over 1000 homes and our people or paying for them. We still have over 700 applications on file. Mr. Chairman, these proposed budget cuts on HUD Indian Housing will be detrimental to my people because it will reduce the quality of health care and housing in effect it will reduce the quality of life for Indian people across this country. Mr. Chairman, to summerize: the war Indian people have been fighting has never stopped. The struggle to survive has just moved from the praries and forest of this country to the Halls of Congress. Over the years our treaties have been broken or ignored. In some cases entire Indian communities have been exterminated. We have survived. Our Tribe has been very successful with private enterprises. We don't want to be totally dependent of the Federal Government, but this sudden termination of Federal Funding will have far reaching and disasterous consequences. So, again Mr. Chairman, we ask you and our good friends in Congress that have an interest in the American Indian Community to work toward maintaining the present funding levels of the program of Indian Health Service, HUD, and BIA.

Mr. Chairman, I sincerely thank you and the Commitee for allowing me to present this testimony.

Dan McCoy

Thank you,
Dan McCoy
Chairman, Tribal Council
Eastern Band of Cherokee Indians

Mr. YATES. We will read the statement very carefully, and the point you make about Indian health and the other matters. Apparently, it means a lot to the Indian people. We have had at least 25 witnesses come in to make the same point.

Mr. TAYLOR. Mr. Chairman, again, I would like to thank your committee and the Congress for building that new hospital we got at Cherokee. One thing about it, we don't have got enough money to staff it.

Mr. YATES. It is an empty shell.

Mr. TAYLOR. We have 17 positions that we can't fill, for lack of funds. In the last month or so, we had a bad flu epidemic come through there.

We had to send lots of people as far as Durham to the hospital. This is a problem, because we don't have the staff. We have the best small hospital, but we don't have the staff to run the thing.

One of my big concerns, Mr. Chairman, is the housing program we have in the Indian country, they turned the HIP program—our budget for HIP housing went from $349,000 to $190,000, and we got a letter saying we had to cut 10 percent of that.

Mr. YATES. Okay. We are going to try to staff that hospital for you.

Mr. TAYLOR. Thank you, Mr. Chairman, for letting me come up.

Mr. YATES. Thank you. Thank you for coming in.

FRIDAY, MARCH 7, 1986.

JOHNSON O'MALLEY

WITNESS

ALVINO LUCERO, ISLETA PUEBLO TRIBE

Mr. YATES. Is the Comanche Tribe here?

Is the Isleta Pueblo Tribe here?

Mr. LUCERO. Mr. Chairman, good morning. My name is Alvino Lucero, I am the Governor from Isleta Pueblo, and also the Chairman from the Southern Pueblos Governors Council.

I am here to inform you that we have some priorities within Pueblo country, and these priorities are shared by all of the Pueblos.

Public Law 93-638 is one of them, being that it allows us to contract for various programs from the Bureau of Indian Affairs to do what the Indian people like to see within our own Pueblo constituents that we have.

We like to have 638 as a number one priority within the funding level, because as I said, we do many things with that. Also, with that, we have other priorities that we have set up, and part of the priority system that we have is funding for law and order, also.

We have to have funding for law and order in order to maintain peace and harmony within our Pueblos.

Housing is also a concern. It is a much needed thing within our Pueblos. They still have substandard homes. We would like to bring those up to where we can have the Indian people live just like any other people within the United States.

Employment assistance, we have high unemployment within the tribes, and we would like to see that continue.

Mr. YATES. You want to see that eliminated?

Mr. LUCERO. Yes, and with that, we would like to see economic development happen within the Pueblos. If that happens, then we can do away with unemployment for our Indian people, and I believe we have some programs that are coming about.

We have submitted a proposal for the Southern Governors Council, the forestry program, to try to get a forestry program going for all the Pueblos, so that we can make a study of our timber resources, and all of the other natural resources that we have, we would like to see those continue.

I would also like to say, about the Johnson O'Malley Program, Mr. Chairman, that I am opposed also to that being transferred to the Department of Education, because the Pueblo Council in 1972 finally contracted JOM through the Bureau of Indian Affairs, away from the state education, and we have been able to do many things with the Johnson O'Malley Program, but if you take that away from us again, we will be back to where we were before, not knowing what Johnson O'Malley is all about. It is a good program and has helped many, many students, and we would like to see that continue. Under the program that it is at now with the Bureau of Indian Affairs, I would like to see that.

One of the other things I would like to mention also, Mr. Chairman, if Indian education could be forward funded. It is awfully hard to plan programs when you are not sure of the monies you will be receiving.

It is awfully hard to plan programs, have staff and all the things that go with education. The Community Health Representative Program is a much-needed program within all the communities.

They are the first responders, provide services to all the constituents, and it is a very vital program within the communities. I had my CHR program put this testimony together. I am sorry I did not have an opportunity to copy it, but I will leave it with you.

Mr. YATES. Good. Thank you very much.

[The statement of Mr. Lucero follows:]

SOUTHERN PUEBLOS GOVERNORS COUNCIL
OFFICE OF THE CHAIRMAN

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ACOMA
COCHITI
ISLETA
JEMEZ
SAN FELIPE
SANDIA
SANTA ANA
SANTO DOMINGO
ZIA

STATEMENT OF GOVERNOR ALVINO LUCERO, CHAIRMAN
Southern Pueblos Governors Council
before THE HOUSE APPROPRIATION SUBCOMMITTEE FOR THE DEPARTMENT OF THE INTERIOR & RELATED AGENCIES on the FISCAL YEAR 1987 BUDGET

March 7, 1986

Mr. Chairman, I appreciate the opportunity to be here today. My name is Alvino Lucero and I am the Governor of Isleta Pueblo. I am also Chairman for the Southern Pueblos Governors Council, which is composed of nine Pueblos who make up the multi-tribal Southern Pueblos Agency of the BIA's, Albuquerque Area Office. Our nine Pueblos share funding apportioned on the basis of priorities established through the Tribal Priority System (Band Analysis) as part of the Zero Based Budgeting (ZBB) process designed to identify tribally set funding priorities in the BIA Budget Justification from which Congress makes yearly appropriation decisions. Our Pueblos and the Southern Pueblos Governors Council are characteristic of the tribes described in previous BIA Appropriations Justification as, "...smaller, less established tribes and rancherias, for which Self-Determination grants have provided the nucleus or essential seed money to enable them to become established as governments and to acquire the capability to participate in housing, economic and community development, employee, and similar programs through contracts and grants with various Federal Agencies." My Pueblo, Isleta with a population of 3401, is among our largest and Sandia, with nearly 300 members is our smallest. Total population of all nine member Pueblos of the Southern Pueblos Governors Council is approximately 22,000.

Our dependency on PL 93-638 grants to bear the burden for local government responsibilities, as described above, is directly linked to our comparatively low volume of PL 93-638 contracts. Of our nine Pueblos, for example, only Zia has an indirect cost rate and at 22.8 percent is near the minimum for these rates as established by the Interior Department's Office of Inspector General. With our dependency on PL 93-638 grants described above, I am here to emphasize that the Self-Determination Grant Program at the Southern Pueblos continues to be number one (1) on the Tribal Priority System which was submitted to the Department of the Interior. However, the Southern Pueblos Governors Council takes exception to information submitted by the Bureau of Indian Affairs in their FY 1987 request to Congress where it states that:

> "Those tribes that initiate new contracts to operate BIA-funded programs will also benefit from the $7.6 million (an increase of $5.7 million) being requested to cover indirect costs associated with such contracts". (Reference BIA FY1987 Appropriation Justification, page 31)

It is important to know that our small Pueblos use these PL 93-638 grant funds as the Bureau of Indian Affairs stipulates and in accordance with the regulations (as stated in 25 CFR 272.1 -- Purpose and scope) for the hiring of administrative, financial and other personnel necessary to establish and maintain tribal capacity to function as effective local units of governments. These personnel, in reporting to their Governors, then provide day-to-day continuity for tribal involvement with other local, state, and federal governments and for the increasing contact with private individuals and companies seeking business opportunities on reservation lands.

Therefore any changes in the Self-Determination Services appropriation activity which serve to reduce the grants portion will have a negative effect on the establishment and maintenance of our local government capacity. This is so because most of our Pueblos have yet to establish Indirect Cost Rates; nor do we have many P.L. 93-638 contracts. As a result, we have a comparative lack of internal professional staff. Our Pueblos are unable to protect funding for our existing administrative and management-related staffing through contract support funds, such as when our P.L. 93-638 grants were reduced in FY1984 by 25 percent from the previous funding level. Our Pueblos do not benefit from any increase in contract support funds -- especially at the expense of a lower self-determination grant funding.

The Pueblo Governors are encouraged by these events that are positive for efforts to restore our self-determination grants to a level adequate for maintenance of our tribal government administration and management. We are grateful to the House Interior Appropriations Subcommittee and pleased that Chairman Yates has recognized amounts requested for FY86 and earmarked to the Southern Pueblos Agency is approximately the same 6 percent we had previously received from the national total during fiscal years 1983 and 1984. We make this same request that FY1987 appropriation be held at the same 6 percent of the national total.

In our own behalf, our Pueblos are doing two things to try to prepare for the eventuality of contracting. We are trying to work within the procedure established for tribes to identify P.L. 93-638 grants as our number one ranked banded program in order to hold this program harmless from funding reductions. The procedure requires us to identify, at the Agency location, our priorities to be isolated within the tribal priorities system for the 18-month long budgetary formulation cycle prior to Congressional action. And, while we look into the process for establishing Indirect Cost Rates, we are also seeking Congressional remedies that will enable our Pueblos to benefit from some interim Contract Support Fund appropriation for Pueblos newly contracting under P.L. 93-638 with the BIA. We are asking this Committee to provide us with an interim solution to this problem.

In closing, attached to this testimony is information reflecting the needs of the nine Pueblos served by the Southern Pueblos Agency. The need is based on doing an effective job that will bring meaningful results.

	Tenative Alloc.	Actual need
Exec. Direction & Admin.	$236,000	$ 287,000
Law & Order	946,000	1,046,660
Housing	47,000	17,296,000
Employment Assistance	294,400	400,000
Realty Program	235,000	295,000
Tribal Government	69,825	90,000
Road Maintenance	328,700	346,000
Credit Program	300,000	415,000
Social Services	255,000	900,000
Forestry	67,000	150,000
Natural Resources Program:		
Per attachments - Acoma Pueblo		4,008,480
Cochiti Pueblo		1,399,480
Isleta Pueblo		4,438,560
Jemez Pueblo		2,698,880
San Felipe Pueblo		4,841,040
Sandia Pueblo		1,492,360
Santa Ana Pueblo		1,396,360
Santo Domingo Pueblo		4,317,072
Zia Pueblo		79,721,880

Thank you for the time you have given me today to make these recommendations. I would be pleased to respond to any questions the Subcommittee might have regarding this testimony.

Mr. YATES. How is your clinic in Santa Fe doing?

Mr. LUCERO. I guess that is doing well. Mr. Pena would be the one to answer that.

Mr. Chairman, please visit us in Pueblo County. We appreciate all your help in these many years.

FRIDAY, MARCH 7, 1986.

BUREAU OF INDIAN AFFAIRS; ICWA GRANTS

WITNESS

ETHEL C. KREPPS, PRESIDENT, OKLAHOMA INDIAN CHILD WELFARE ASSOCIATION

Mr. YATES. The Oklahoma Indian Child Welfare Association.

Ms. KREPPS. I am Ethel Krepps, we are a non-funded association formed in 1981, and we represent 27 tribes in Oklahoma, and approximately 100,000 Indian children.

I am here today to spend my five minutes to ask you and your committee to exert whatever influence you have in restoring the $4.3 million cut from the BIA social service budget regarding Indian child welfare, down from $7.6 million, leaving a total national budget funding for all tribal programs of $3.4 million.

The Oklahoma Indian Child Welfare was passed by the 95th Congress, and the original appropriations in 1978 were supposed to be $21 million, raised to $23 million in 1979 and $25 million in 1980.

That level of funding has never been a reality. The problems were presented in testimony to three different Congresses, showed that Indian children were being removed and placed in the non-Indian environment at a very high rate of placement nationally.

In Oklahoma, the Indian child placement removal made up 50 percent of the welfare caseload when we, as Indians, represented only 4 percent of the state population.

The scene in Oklahoma was that we were not equipped to deal with the Indian Child Welfare Act, and in the short time that we have had to prepare for it, we have established tribal courts, and we have adopted tribal licensing standards, implemented tribal foster care families, and adoptive families.

We have received extended family support as we have rehabilitated the family, and placed the child back with the natural family and worked with the state in doing this, and developing seven tribal-state agreements. Exclusive jurisdiction on Indian country has been developed in Oklahoma.

We have approximately 43 tribes in Oklahoma under a patchwork of Indian country, so our situation is a little bit different. The first round of funding that came down for Indian child welfare at that time, in 1980, when it was first appropriated under the BIA social service budget, as a line item, was $15,000 for each program that operated, funded that year.

We have had to compete with that amount of monies on an in-place system where they already had state court removal and placement practices, judicial systems in place, and we have done really well with that.

If we face this budget cut now, it will absolutely cut the heart out of all the Indian child welfare programs in Oklahoma that we strived so hard to implement.

In Oklahoma, our tribal membership ranges from 63,000 to 65,000 members in the Cherokee Tribe, down to the much smaller tribes of 550 tribal members located there in northeastern Oklahoma.

The picture of the Indian family in our state is such that we have a lot of single parents, those employed still below the poverty line, critical areas with health, education, unemployment, housing, basic needs in food and transportation.

We did a survey that showed even basic necessities were not being met. Transportation was a real big factor, and when the child is removed, usually placed in an environment away from the extended family or natural family, in an alien environment, and transportation is a difficulty, having our parents get there.

In fact, ICWA is becoming the social services program of the tribes in Oklahoma, and this cut will drastically reduce the services available for Indian families and Indian children in Oklahoma.

The budget cuts come at a time when the BIA has just spent a lot of money in bringing in the multiyear programs for ICWA for three-year programs, and they have gone across the country with their personnel, across the country, and with the grantees across the country giving instructions on how to write this, and less manhours have been spent on writing these, so it seems a terrible waste of manpower and money at this time to cut that.

Mr. YATES. We will keep that very much in mind.

Ms. KREPPS. The statistics that would be reverted to if this budget cut came across were as high as 50 percent removal rate of Indian children from their Indian families and not placed back in the Indian environment, and it would take very long for the statistics to revert back.

The non-Indian population has shown that they are not interested in Indian child welfare, and are not interested in placing those children back in the Indian environment.

We were fortunate to pass the Indian Child Welfare Act, a law that mandates the District Courts in Oklahoma to comply in all respects with the Federal Indian Child Welfare Act, so we have been fortunate in working with the state there to get the cooperation that is needed, and they are depending on us to take care of our Indian children, and we won't be able to do that with these budget cuts.

In closing, I would like to respectfully request that the budget cuts under Gramm-Rudman for ICWA be spread across other programs so the ICWA does not have to absorb the entire budget cut.

Thank you very much.

FRIDAY, MARCH 7, 1986.

JOHNSON O'MALLEY

WITNESS

GILBERT PENA, ALL-INDIAN PUEBLO COUNCIL

Mr. YATES. Mr. Pena.

Mr. PENA. Mr. Chairman, I thank you for always having the Indian people in your heart. The comments that were alluded to by Governor Lucero certainly illustrate and very adequately air the concerns of the 10 southern Pueblos, and all our Pueblo communities.

He talked about CHR, and I will not cover that particular territory.

I would, however, like to specifically address a concern, and certainly a priority of the All Indian Pueblo Council, the issue of education.

The All Indian Pueblo Council, representing the Pueblo people of New Mexico, was the first Indian group to gain control of the planning and operation of an educational system under the provisions of Public Law 93-638, the Indian Self-Determination Act of 1975.

We are proud to say that Santa Fe Indian School is now in its ninth year of operation.

Our school has a set curriculum and is accredited by the North Central Association and by the New Mexico State Department of Education. We have an all-Indian School Board and an active Parents' Advisory Committee.

Students at our school are achieving at or above grade level. Last year, the majority of our graduates went on to higher education. Over 50 scholarships have been awarded to our graduates in the last three years.

Indian students attending public schools in the State of New Mexico are perhaps in the lowest category of achievement. However, our statistics show that we are about 50 percent above achievement levels of those students, as compared to the ones in public school systems, sir.

Santa Fe Indian School offers proof of the tremendous potential of self-determination for addressing the educational needs of Indian children. However, we are still handicapped by inadequate funding and widely fluctuating program policies and policy implementation on the part of the Bureau of Indian Affairs.

Today, I will briefly address three areas for your consideration which call for a reevaluation of BIA policies and procedures.

Mr. YATES. We will read your statement, which is what you are doing. You tell us what it is you want us to do. You are interested in education?

Mr. PENA. The issue of facility management, and we have had a deficit there, which we have presented our concerns to the Bureau of Indian Affairs and hopefully, with your support, we can resolve some of these problems, and the other area is the cost of living.

Public Law 95-561, in that law, there has never been any provisions for the cost of living increases, teacher salaries, and in addition to that, I will briefly state that there is a lot of potential for the Santa Fe Indian School.

We understand the budget cuts and have to live by those means. We are trying to make our program an exemplary education program, and I know the Assistant Secretary has visited the school and been impressed, and we are now contemplating the issue of perhaps raising funds that will supplement educational programs, and this issue was brought up yesterday, that there are some conflicts as to how legal are these, raising funds using Government facilities.

We would like to have that issue resolved once and for all, so we can also assist not only through Federal funds but also by raising funds ourselves to assist in that educational program.

Mr. **Yates**. Good.

Mr. **Pena**. I invite you to visit the Santa Fe Indian School, and we will make you feel at home. Thank you for giving us this opportunity.

[The statement of Mr. Pena follows:]

ALL INDIAN PUEBLO COUNCIL

STATEMENT OF
GILBERT M. PENA, CHAIRMAN
BEFORE THE
SENATE/HOUSE SUBCOMMITTEE ON APPROPRIATIONS
FOR INTERIOR AND RELATED AGENCIES
MARCH 6-7, 1986

Mr. Chairman and members of the Subcommittee on Appropriations for the Interior and Related Agencies, my name is Gilbert Pena, I am the Chairman of the All Indian Pueblo Council (AIPC) which is comprised of eighteen Pueblo tribes of New Mexico: Cochiti, Isleta, Jemez, Laguna, San Felipe, Sandia, Santa Ana, Santo Domingo, Zia, Zuni, Nambe, Picuris, Pojoaque, San Ildefonso, San Juan, Santa Clara, Taos and Tesuque.

I come before you today, as I have in the past, to present to you our concerns and the vital needs of our Pueblo communities back home. The Pueblo tribes have a combined population of approximately 45,000 and have a combined land base in excess of two million acres. We must keep in mind that although the Pueblo tribes are united as one under the All Indian Pueblo Council, each respective Pueblo is a separate and distinct tribal government with all inherent powers therein.

In the past, this Committee has entertained testimony to address, through some negotiations, individual Tribal consortiums' specific needs and requests. The process infers that indeed we are part of the negotiations and, accordingly, our input is valued regarding how allocated funds are to be expended.

This process, however, in lieu of the current and proposed reductions, risks becoming perfunctory and almost superfluous. We must now ask ourselves why we are invited to present testimony when already rigid parameters have been set by budgetary decrees that negate our requests and that do not allow for our input to bear any validity. These are our specific concerns.

INDIAN HEALTH SERVICE

Community Health Representative and Emergency Medical Services

The vast geographical areas, the rural nature of most Indian communities, and the unaccessibility of many existing and centrally located I.H.S. clinics and hospitals, have all contributed to the viability and inportance of the CHR and EMS programs. The discontinuation of such services, would constitute a severe blow to the Indian communities' ability to provide a preventive emergency, outreach and home-health care.

Contract Health Care Service

Catastrophic funds to pay for contract Health Care for high cost patients is required in the amount of $350,000. These patients are hospitalized as the result of motor vehicle accidents or high-risk birth (premature delivery, etc.). Consequently, the base allocation to each Service Unit is drastically reduced by this catastrophic care. And, supplemental services under the CHS Program is reduced in direct proportion.

Adolescent Mental Health Services

There is an immediate need for mental health services to adolescents (12 - 21) in several areas:

1. Inpatient psychiatric evaluation and diagnosis.
2. Residential treatment.
3. Inpatient psychiatric care.

Presently, the IHS does not provide funds for the above services in a coordinated fashion. This care is located off the reservation; is not culturally appropriate; is fragmented; and is interdicted by jurisdiction problems. Unmet need in the Albuquerque Area can be met by a "Protype" Program at all the service Units.

-Inpatients Psychiatric evaluation Unit	- $450,000
-Residential Treatment Program	- $750,00
-Inpatient Psychiatric Care (CHS Referral	- $ 75,000

INDIRECT COST RATE

According to estimates the Indirect Cost Rate system has bankrupted over 50% of the Indian Tribes in the United States. The reasons for these failures is very simple; Indirect does not work without the support of a revenue base.

The attached schedules reflect the actual history of the AIPC's rate. Schedule I shows the rate, total funding administrative (pool) expenditures, applied (allocated) costs, and the under/(over) recovery for the indirect cost pool for the years 1978-1985. As you can see, the Council has suffered a cummulative under-recovery of $893,085. This situition exists solely for the reason stated earlier - lack of a revenue base.

To clarify this part, let me outline how a rate is supposed to work:

1) Programs are acquired.
2) Within programs, administrative dollars are budgeted thru indirect cost rate.
3) Rate is negotiated and approved by cogninant agency - D.O.L., Dept. of Interior, etc.
4) Full rate is approved by agencies but usually not funded 100%.
5) Some agencies have limited rates for administrative support dollars.
6) Result is shortfall between dollars budgeted and/or expendable dollars recovered thru rate.

Schedule II reflects an example of the shortfall mentioned thru the recovery of dollars by the rate vs. what dollars are actually expendable. The shortfall in this example is $1,500 with only $100,000 administrative budget. The dollars are greatly magnified when the volume of funding and larger administrative budget is used. As you can see in this example, with a revenue base of $1,500 the administrative expenditures would be 100% funded.

The Indirect Cost Rate allocation is not made until the end of the year and the government does not adjust for over/(over)-recovery until the 2nd subsequent year, i.e., 1980 proposed adjusted the 1978 under-recovery which penalizes the 1980 budget for shortfalls in 1978.

This type of system creates a burden on an organization's cashflow which causes the use of current year dollars for prior year expenditures and you can never catch up.

In conclusion, I would like to again point out that an administrative grant based on an organizations total funding, i.e., $100,000 (10%) of $1,000,000 total funding is the only solution to alleviate this problem as long as there exists no revenue base or support dollars over and above the government funding for an organization.

Mr. YATES. We will submit the statement of Mr. Chauncey Simplicio at this point in the record.

[The statement of Mr. Simplicio follows:]

Statement of
Chauncey Simplicio
Governor, Pueblo of Zuni
Zuni, New Mexico

Chairman Sidney Yates
Sub-Committee on Interior
House of Representatives
March 7, 1986

Statement of
Governor Chauncey Simplicio
Pueblo of Zuni

Mr. Chairman, I appreciate very much the opportunity to submit written testimony to your committee under the auspices of the All Indian Pueblo Council, which is being represented by Chairman Gilbert Pena.

I am requesting the assistance of your committee in obtaining $2,860,000.00 in either a direct appropriation or a guaranteed loan from the Bureau of Indian Affairs. These funds will be used to purchase private lands which are checker boarded with former Federal and State lands which already have been transferred in trust for the Zuni Indian Tribe pursuant to Public Law 98-408, which was enacted August 28, 1984. These lands are located in Arizona near the town of St. Johns and have been used by the Zuni people since time immemorial as a place of worship and meditation. The esoteric nature of these lands; commonly referred to as "Zuni Heaven" because it is the place of rest for departed Zuni souls, has now been revealed to the general public and the tribe is concerned that third parties may purchase surrounding properties, thus inflating land values. The tribe; therefore used what little money it had in its savings account for down payments on two contracts to bind private land owners to purchase agreements for fear they might sell the land to developers for ranchette sites or other third parties with whom the tribe could not negotiate.

Since the tribe does not have any reserve funds or sizable sources of income, it had anticipated on financing these land purchases from one or all of the following sources:

1. Claims against the United States pending before the United States Claims Court in Dockets 161-79L and 327-81L;
2. Revenue from oil and gas exploration on the Zuni Indian reservation; and
3. Revenue from leases of coal resources underlying the Zuni Indian reservation.

None of these sources of anticipated income has materialized to date and efforts to obtain a loan from the Bureau of Indian Affairs Revolving Loan Fund have met with failure because the money would not have been used for economic development.

The tribe is now faced with the dilemma of having entered into three separate real estate contracts for the purchase of lands in the Zuni Heaven area. The first contract is with the Seven Springs Ranch, Inc., for the sum of $1,500,000, the tribe having paid $30,000 down and a balance of $1,470,000 due and owing as of November 1, 1985. The second contract is with Dr. Spencer Ellsworth for the sum of $1,000,000, the tribe having paid $1,000 down and a balance of $999,000 due and owing as of February 1, 1986. The third contract is with Clara Barth Testamentary Unitrust for the sum of $186,660.

Mr. Chairman, I am unable to travel to Washington, D. C., to testify personally because the tribe lacks funds for travel. Lack of money has rendered the tribe unable to pay for land which it has contracted to buy in good faith, not with standing doing all within its power to finance the land purchase. The policy reasons underlying the return of the lands of the Zuni Heaven area to the Zuni tribe remain the same. Zuni Heaven is the heart of the community, the life blood of the Zuni religion, and is a very literal sense, the final resting place of all Zunis. I express on behalf of all Zunis our heartfelt gratitude for any and all assistance you and your committee can give us.

Signed and dated this 3rd day of March 1986.

Chauncey Simplicio

Chauncey Simplicio
Governor, Pueblo of Zuni

Mr. YATES. For those persons who were unable to attend, we will place their written statements in the record. Background information attached to the statements will be maintained in committee files. The committee is adjourned.

[The following statements were provided for the record:]

Puyallup Tribe of Indians

April 18, 1986

Honorable Sidney R. Yates, Chairman
U.S. House of Representatives
Appropriations Subcommittee on Interior and Related Agencies
B-308 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Yates,

The following is the testimony which the Puyallup Tribe wishes to enter into the record regarding fiscal year 1987 appropriations for the Indian Health Service.

PUYALLUP TRIBAL POSITION PAPER:
Legal & Historical Basis for Indian Health Services.

The Puyallup Tribe offers its full support and endorsement of the position papers submitted by the Northwest Portland Area Indian Health Board and the Affiliated Tribes of Northwest Indians regarding the legal and historical basis for the delivery of health care to Indian people.

The legal and historical basis for health care delivery is aptly addressed and recapitulated by the testimony offered by our area representatives. In the case of the Puyallup Tribe, health care is a treaty right guaranteed by Article 10 of the Medicine Creek Treaty of 1854. As a treaty right the expectation of health care must be interpreted in the broadest possible meaning of the treaty agreement as interpreted by the Tribe at the time of signing, consistent with federal court decisions regarding other treaty rights such as fishing and hunting. It is, indeed, unfortunate that the "supreme law of the land" and the trust responsibility of the federal government to provide high quality comprehensive health care should be eroded through the processs of administrative and budgetary limitations and reduction. The Treaty does not state that Tribal members have rights to limited health care based on available funding.

The current situation in the Northwest perpetuates historically inadequate funding and access in which the ability to receive medical attention depends on the administrative delivery system and the availablity of dollars and not upon medical necessity. The deferred services lists for contract health services in the Pacific Northwest are a painful and malingering reminder of the

2002 East 28th Street • Tacoma, Washington 98404 • 206/597-6200

inadequacies of the current system and the limited appropriations available to fulfill this most important trust responsibility. At a time when the tribal communities are expanding at rates in excess of two percent a year the administration and the Office of Management and Budget propose freezes and further reductions in funds to provide needed care. It would be relatively simple to state and restate the Puyallup Tribe's needs for new facilities, expanded personnel and service support in an effort to improve our own funding levels. However, the realities of the current situation dictate that should our programs expand, should we receive additional funding support, should our facility needs be answered, these local advances would be made at the expense of other tribal programs. It is not the time for arguing for individual tribal advances, offering eloquent defenses of individual tribal programs, or pointing fingers at adminstrative vulnerabilities in an effort to offer up easy targets for the OMB budget ax. The administration and its insidious budgetary arms which determine tribal needs and desires for services based on appropriations and fanciful economic projections at the cost of denying tribal self-determination and long standing treaty obligations and trust responsibilities must be met and defeated by the entire Tribal Community of the Nation.

The efforts of the federal government to blame existing inadequacies in the Indian Health Service system upon budgetary restrictions seems to be a poorly camouflaged attempt at the termination of federal trust responsibility through non-appropriation. Even at current levels available care has not been able to hold its own against inflation. Across the nation the costs of medical care are inflating at a disturbing if not frightening rate. Proposed administration attempts to control costs through limiting eligibility for care sound an even more sinister ringing blow in the progressive and continued attacks upon tribal sovereignty and totally ignore the recognized concept of Tribal Self-determination.

The myth that other resources will provide care to fill in the gaps in needed health care services must be stripped of rhetoric and shown for what it is. The administration's safety net has become a hole in the ground, and we are already burying too many Tribal people. In a broader sense, these limitations of available health care are a nationwide problem of the poor and disenfranchized. "There is no more compelling social problem facing this state [Washington] than the increasing lack of adequate health care for a sizeable segment of the population." (Seattle Post Intelligencer, February 12, 1986.) More than 100 million dollars has been cut from Washington state payments to hospitals for the care of poor people during the last year. Dumping of uninsured or "non-paying" patients by hospitals is on the upswing. Our own programs, especially Mental Health and the Substance Abuse Treatment Center are becoming a dumping ground for patients not wanted by these "available third party resources." Steep pay cuts, unemployment, and limited health insurance coverage resulting from a transformation of the economy during this administration continue to limit the ability of individuals to provide for their own needed health care, and it's going to get a lot worse.

The Puyallup Tribe opposes any reductions in the Indian Health Service budget. The Puyallup Tribe opposes any changes in the eligibility criteria for Indian Health Service not generated directly from Tribes themselves. The Puyallup Tribe maintains that the right to adequate comprehensive health care services are a Treaty right, a federal trust responsibility, and supported and reaffirmed by history and by law. We ask that members of Congress, in fact, consider increasing and expanding available Indian Health Services during a time in which other third party support systems are decreasing. The Puyallup Tribe also wishes to offer its sympathy to the non-Indian community of the poor who are currently at the mercy of a merciless system of medical bureaucracy without the benefit of Treaty protection.

The United States enjoys some of the best medical care in the world. Hundreds of people are walking around with new hearts, thousands with new kidneys and livers. We have a problem, however, getting this complicated medical system to deliver some of the most basic services to the most needy people. Some say there are too many doctors; some say the new technology costs too much; some would blame the insurance industry; many blame the state of the economy. Whatever the complicated network of reasons might be, it remains the responsibility of Congress to honor the obligations affirmed by Treaty, trust responsibility, and law.

Respectfully Submitted,

Frank Wright, Jr., Chairman
Puyallup Tribe of Indians

OFFICE OF THE TRIBAL CHAIRMAN

CHEYENNE AND ARAPAHO TRIBES OF OKLAHOMA

Wisdom A. Nibbs, Jr.
Chairman

Concho Office: (405) 262-0345
1-800-522-3716
Residence Phone: (405) 323-6369
P.O. Box 38
Concho, Oklahoma 73022

April 15, 1986

Rep. Sidney R. Yates, (D), Chairman
House Appropriations Subcommittee on Interior
Rayburn House Office Building
Independence Avenue, SE
Washington, D. C. 20515

Dear Chairman Yates:

The Cheyenne and Arapaho Tribes of Oklahoma hereby present this testimony to you to improve the present programs at the Clinton Service Unit, Indian Health Service and to propose new programs. The annual lease cost for new and/or renovated space at existing health facilities one-time nonrecurring cost is included. The outpatient population in the Service Unit is 6,924 and inpatient population is 6,947. The present existing resources (FY-85) is $4,343,767.00. * Annual Cost is $6,922.006.00, New Program Cost is $1,486,782.00 and one-time nonrecurring cost is $780,000. Total costs are $9,188,788.00. ** There has been 49 (Forty-Nine) deaths in the period of March 23, 1984 to December 20, 1984. The average age of death for females was fifty (50) years; males at forty-six (46) years; the median age is 47 years. This is a request to upgrade the Clinton Service Unit and put it on par with other Service Units of the Oklahoma City Area Indian Health Service. We are also making a request for funds of $120,000 to supplement our Alcoholism Treatment Programs which is funded on recurring funds of $89,000 a year. We need additional personnel for our present program to start admitting female alcoholics to our facility. Our treatment facility is located on the Concho School Complex. This complex was transferred to the Cheyenne and Arapaho Tribes of Oklahoma when the Bureau of Indian Affairs closed the Boarding School.

Sincerely,

WISDOM A. NIBBS, JR., Chairman
25th Business Committee
Cheyenne and Arapaho Tribes of Oklahoma

* Page 2

**Page 1

Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge after the colonists had consistently refused to aid them

Oneida Tribe of Indians of Wisconsin

Post Office Box 365

Phone: 869-1260

Oneida, WI 54155

[illegible] of the [illegible] of the Oneida Chief [illegible] a friendship between the [illegible] nations and the Colony of Pennsylvania, a new nation, the United States [illegible]

March 11, 1986

Mr. Sidney Yates, Chairman
House Appropriations Committee
Subcommittee on Interior & Related Agencies
Room B-308, Rayburn Building
Washington, D.C. 20515

RE: ICWA Budget Cuts

Dear Mr. Yates:

On behalf of the Wisconsin Association of Indian Child Welfare Workers, a group representing child welfare workers from all of Wisconsin's eleven tribes, I would urge that appropriate steps be taken to convince congress that the BIA programs of Indian Child Welfare Act, General Assistance, and Foster Care need to be exempted from Gramm-Rudman cuts just as the nation's poverty programs of AFDC and Food Stamps have been excluded. To not give like recognition to these Indian poverty programs which, for the most part, serve women and children would create a further assault on these the most vulnerable of our people. For them the security of the safety net will not exist as a protection.

Our association contends that if cutbacks in the Indian Child Welfare Act Program are implemented as proposed by the Bureau, it will render the Act moot and meaningless. For without funds to support staff, advocacy efforts on behalf of our families as well as programs and emerging tribal systems, such as our Tribal courts, will quickly be eroded. The pride and sense of accomplishment and trust that our workers have witnessed being re-kindled in our societies will be dealt a most devastating blow.

Therefore it is the plea of our organization to re-examine the data which has been compiled from past and recent surveys, including the comprehensive quality control study compiled by the Clary Institute of Washington, D.C. (9-30-81), in which documentation supports that the Indian Child Welfare Act Grant Program is extremely valuable, effective, and critical to tribes and organizations implementing the Indian Child Welfare Act. Our association believes that the program is indeed cost effective and achieves results with minimal funding available to it. However, steps need to be taken to ensure that no further reductions be made to the 8.6 million currently allocated for Title II grant programs.

Mr. Sidney Yates
March 11, 1986
Page 2

Our individual tribes in Wisconsin plan on submitting to you, and other appropriate persons, such specific data as to numbers of persons served, programs needs and success achieved with ICWA funding. Suffice it to say that we all believe that ICWA Title II grant program funding is invaluable to our tribes and organizations and critical to our further development and survival. We would appreciate your taking the appropriate steps to protect the allocation at a level no lower than 8.6 million.

If our association can be of assistance to you in your efforts on behalf of ICWA, please so advise. Contact people, until officers are elected, are the following:

Kathy King
Oneida Community Health Center,
P.O. Box 365, Oneida, WI 54155;

John Miller
Stockbridge-Munsee Tribal Office
Route #1
Bowler, WI 54416

Mary L. Husby
Menominee Tribal Social Services
P.O. Box 397,
Keshena, WI 54135.

Very truly yours,

Kathy King

Kathy King, Acting Chairman of the
Indian Child Welfare Workers, Wisconsin

KK/TF

Oneidas bringing several hundred bags of corn to Washington's starving army at Valley Forge, after the colonists had consistently refused to aid them.

Oneida Tribe of Indians of Wisconsin

Post Office Box 365

Phone: 869-2771

Oneida, WI 54155

Because of the help of this Oneida Chief in cementing a friendship between the six nations and the Colony of Pennsylvania, a new nation, the United States was made possible.

RESOLUTION #____________

WHEREAS, the Oneida Tribe of Indians of Wisconsin is a federally recognized Indian government and a treaty tribe recognized by the laws of the United States, and

WHEREAS, the Oneida General Tribal Council is the governmental body of the Oneida Tribe of Indians of Wisconsin, and

WHEREAS, the Oneida Business Committee has been delegated the authority of Article IV, Section 1, of the Oneida Tribal Constitution by the Oneida General Tribal Council, and

WHEREAS, the United States Congress enacted the Indian Child Welfare Act, 25 USC §1901 et. seq., effective on May 8, 1979, and

WHEREAS, federal program budgets are being reduced pursuant to the Gramm Rudman legislation, and

WHEREAS, said budget cuts in the Indian Child Welfare Act are being proposed by the B.I.A., and

WHEREAS, such reduction in the I.C.W. area would render the act moot and meaningless, due to the resulting cut back in services, and

WHEREAS, such reduction is an assault on the most vulnerable of Oneida people, the women and children, and

WHEREAS, said assault will encourage the break up of families due to the lack of services that has become essential to the Oneida Tribe.

NOW THEREFORE BE IT RESOLVED, that in the best interest of our children and their future, the Indian Child Welfare Act be exempted from Gramm Rudman cuts just as the nations other poverty programs of A.F.D.C. and Food Stamps habe been excluded.

Resolution #________________

Page 2 of 2

CERTIFICATION

I, the undersigned, as Vice-Chairman of the Oneida Busienss Committee, hereby certify that the Oneida Business committee is comprised of 9 members, of whom 7 members constituting a quorum, were present at a meeting duly called, noticed and held on the 11 day of March, 1984; that the foregoing resolution was duly adopted at such meeting by a vote of 6 members for; 0 members against, and 0 members abstaining: and that said resolution has not been rescinded or amended in any way.

Richard G. Hill

Richard G. Hill, Vice-Chairman
Oneida Business Committee

Testimony of the Association of Village Council Presidents
Concerning the Fiscal Year 1987 Budget Request of the Bureau of Indian Affairs, U.S. Department of the Interior

before the

United House of Representatives

Subcommittee on Interior Department Appropriations of the Committee on Appropriations

March 6, 1986

Mr. Chairman, Members of the Subcommitee on Interior Appropriations, the following comments are offered on behalf of the Association of Village Council Presidents (AVCP) concerning the Administration's Fiscal Year 1987 Budget Request for the Bureau of Indian Affairs (BIA), U.S. Department of the Interior. AVCP is the tribal organization representing the 56 Yup'ik Native communities and 20,000 individual members of the Yukon and Kuskokwim delta region of western Alaska. The geographic boundaries and member Native communities of AVCP were defined by the Congress in Section 7(a) of the Alaska Native Claims Settlement Act (ANCSA). AVCP wishes to bring to the Subcommittee's attention some policy considerations addressed in the BIA's FY-1987 budget request. The reason for this is that we believe that the budget is presently being utilized by the Administration as an instrument of significant new national policies regarding Alaska Natives which should be closely scrutinized by your Subcommittee.

The new national policies toward Alaska Natives, as reflected in the Administration's budget request for 1987, signal drastic changes in the relationship between our people and the federal government. The Administration's budget, submitted to the Congress two weeks ago, utilizes fiscal notes on appropriations to make major changes in federal policy that formerly would have been stated in Congressional findings. The Administration states that Alaska Natives have less need for assistance because of economic benefits provided by the Alaska

Native Claims Settlement Act of 1971 (ANCSA), and that there are no longer Indian tribes in Alaska, no Native trust property exists in Alaska for which the federal government has responsibility, and that the State of Alaska is financially able and willing to replace federal Indian services to Alaska Natives.

None of these statements is true. Under Section 7(a) of ANCSA, AVCP was required to cause the incorporation of Calista Corporation, our regional profit corporation. Our profit corporation has been profitable in only one out of the last fourteen years. The only reason Calista Corporation was profitable that year is due to resource revenues contributed from other regional corporations. From that profitable year, three years ago, Calista Corporation paid our shareholders a twenty cent per share dividend, or an average of twenty dollars per shareholder. Twenty dollars will not replace assistance provided our people from education, vocational training, health, housing or any other federal Indian programs. Two recent documents, based upon exhaustive hearings and research, offer concrete evidence that ANCSA has not provided any substantive benefits to the vast majority of Alaska Natives.

AVCP respectfully encourages the Members of this Subcommittee and your professional staff to review Village Journey, the report of the Alaska Native Review Commission by Justice Thomas Berger, as well as the Interior Department's 1985 Report to the Congress on ANCSA. Interior's 1985 Study, prepared in draft over one year ago, has not been formally transmitted to the Congress by the Administration, a violation of provisions of Section 23 of ANCSA. Both reports indicate that Alaska Natives, despite ANCSA, remain among the most economically disadvantaged peoples in the United States. The BIA's own 1985 study completely refutes what the Bureau and the Department are now telling the Congress about Alaska Natives and ANCSA. Similarly, observations concerning tribal government in Alaska are unfounded.

The AVCP Region is home to about one-quarter of the Native villages in Alaska. Each of the 56 villages in our region has a viable tribal government in place. Eleven of these villages have tribal governments chartered under the Indian Reorganization Act of 1934, extended to Alaska by the Congress in 1936. The other 45 villages have traditional tribal governments. These tribal governments govern the affairs of our member Native communities. They regularly conduct relations with federal agencies, including the BIA and Indian Health Service and Department of Housing and Urban Development, and most tribal communities have agreements with these agencies which are in effect at this date. Seventeen villages have no state-chartered municipality, and have no intention of establishing state governments because of their intense desire to retain traditional Native government and culture. These tribal governments were unaffected, and even ignored, by the Alaska Native Claims Settlement Act and were not consulted prior to enactment of ANCSA. Although the Reagan Administration has made a concerted effort the past five years to terminate these tribal governments through the budget process, the Congress itself has taken no such termination action.

Even the Administration's suggestion in the budget document that there are no trust or unrestricted Indian lands in Alaska, outside of Metlakatla, is untrue. Within the AVCP Region alone, there are 2,700 Native Allotments, established pursuant to the Native Allotment Act of 1906, and 800 restricted Native townsite lots, created under the Native Townsite Act of 1926. In addition to the special relationship between our 56 member tribal communities and the federal government, the United States also has a trust responsibility to more than 400,000 acres of property held by 3,500 restricted property owners in our region.

The Administration also observes that the State of Alaska is willing and able to assume financial responsibility for present federal Indian services to Alaska Natives. As Governor Sheffield and the Alaska Legislature will confirm, the state is moving to curtail existing programs and forego new state services. Being an oil-producing state, Alaska is facing sharply declining revenues and is making an effort at budget reductions similar to that of the federal government. Several leading economists are predicting a depression in the Alaska economy. This past week, Governor Sheffield imposed a freeze in hiring and travel for state employees. Even if the state could afford it, the majority of our villages lack water and sewer systems and many basic needs which have yet to be met. In 1983, upon the Reagan Administration's request and without any consultation with

Alaska Native people, Congress terminated BIA General Assistance to Alaska Natives. Contrary to the Administration's belief, this has not been replaced by state assistance. Since that termination, a great many village families must now buy heating fuel in five gallon cans, because they cannot afford to buy 50 gallon drums, and they only heat their homes at night despite twenty below temperatures. The loss of $800,000 in annual General Assistance payments in the AVCP Region also means many families must seek community donations and bingo funds to bury deceased relatives because no alternative aid is available.

We wish to briefly summarize the impact of the Administration's budget request on Native individuals, families and communities in our region. A detailed analysis of this impact is attached for your information. AVCP's analysis of the impact of these budget cuts differs slightly from the BIA's own assessment. In view of the proportionately higher cost of administering vastly reduced programs funds, and considering the BIA's practice of underfunding contract support costs, we believe our analysis is a more practical analysis. Reductions in the BIA budget, aimed at Alaska Natives, are as follows: College Scholarships, 40%; Adult Education, 100%; Agricultural Extension, 100%; Tribal Operations, 35%; Social Services, 40%; Self-Determination Grants to Tribal Councils, 18%; Training and Technical Assistance for tribal governments, 54%; Adult Vocational Training, 61%; Direct Employment Assistance, 68%; Road Maintenance, 100%; Agriculture, 56%; Water Resources, 100%; Wildlife and Parks, 12%; Minerals and

Mining, 100%; ANILCA programs, 51%; ANCSA Cemetaries and Historical Sites identification, 100%; Housing Improvement (HIP), 36%; Agency Superintendent Operations, 61%; and Agency Administration, 100%.

The reductions, and the continued use of the budget as a policy instrument for termination of Alaska Natives, will have a devastating impact on Native people in the AVCP Region and throughout Alaska. The funds will not be replaced by the state nor by any other source. For example, the reduction in college scholarships will mean that, of 130 Yup'ik college students funded by AVCP with BIA funds, only 78 may be funded next year. 52 existing students will have to be cut from the program and no graduating high school students may be accepted. In most cases, state assistance will be unavailable, as the state now requires a 25 percent cash match for scholarships and village family income will not provide for this because of the current depression in the commercial fishing industry.

Young people seeking vocational careers will also be affected. Currently, with BIA vocational training grants, AVCP is assisting 39 young men and women to become commercial pilots, electricians, plumbers, carpenters, power plant operators, cooks and secretaries. Next year, only 17 may be assisted. The impact of vocational training cuts, including adult basic education, also means Native clients will be denied access to state vocational training, as these funds are used to enable clients to obtain GED degrees in order to become qualified for entering state vocational training programs. The cuts in college scholarships, adult basic education and vocational training will have a long-term negative impact on Native employment in the villages. Young people will no longer be able to become qualified for the few permanent jobs in their home communities. Non-Natives from outside will have to be imported to take jobs which otherwise would have gone to young Natives.

AVCP, like many other tribal organizations in Alaska, has used the self-determination process to enable Native people to become trained and qualified to provide nearly all program services formerly provided by the BIA. We appreciate the interest and support for tribal contracting demonstrated by thise Subcommittee in the years since enactment of the Indian Self-Determination and Education Assistance Act (P.L. 93-638). One program, our Realty program, using BIA Realty and ANILCA funds, has recruited and trained 11 qualified Yup'ik individuals to provide services to 3,500 restricted land owners in the region. BIA, in its budget request, cites reduced workload as justification for a 51% cut in ANILCA program funds. Our caseload, at present, has a ten year backlog. Far from becoming lessened, the recent "Fannie Barr" lawsuit settlement will mean an additional 200 cases will be assigned to us this coming year. The settling of land title questions is essential to economic development in the villages and long-term economic self-sufficiency of Native communities. The BIA indicates an increase in funds for some Realty activities, however these are for functions which are considered non-contractable to tribal organizations. The net effect will mean the loss of two trained and competent Native employees assigned to ANILCA activities by AVCP and a reduction by half of our work to resolve Native allotment conflicts as authorized by Congress in Section 905 of ANILCA.

While AVCP is concerned about each of the targeted programs, we wish to point out the impact of one final activity, the Housing Improvement Program. Last year, the BIA asked us to survey the housing needs in 34 of our member villages. We went house to house in each village, applying the BIA's own standards in evaluating those homes. We have certified that 706 Native families need new housing which is not available from any other source, and that 500 more families need basic repairs to make their homes livable, according to the BIA's standards. At an average estimate of $25,000 for each new home and $2,000 in repairs for each older home, $17,650,000 is needed for new HIP construction and $1,000,000 is needed for repairs. Our current year's allocation for those 34 villages is $320,000. Therefore, we cannot understand how the BIA can request the Congress to reduce next year's allocation to $204,800, or to about one percent of the identified need.

AVCP, on behalf of our 56 member villages and 20,000 Yup'ik constituents, asks that this Subcommittee and the Congress resume its rightful role in deciding federal policy towards Alaska Natives. Very few Alaska Natives have benefited from ANCSA, and the great majority remain economically disadvantaged. Our tribal governments seek good faith dealings and relations with the federal government. The State of Alaska will not and may not assume responsibility for federal Indian programs. Most importantly, the Congress should not permit the Administration to terminate our special relationship with the federal government through the budget process. There is an alternative.

Many years ago, the Congress established a method by which Alaska Natives and American Indians may decide for themselves budget priorities for BIA program services. Through this process, tribal representatives assign funding priorities for BIA programs based on knowledge of local needs. Selective funding cuts in BIA programs for Alaska Natives subverts this process. What we ask is that Congress recognize the Administration's termination by budget and set aside the proposed 1987 budget. We would like to be treated like any other group of Native Americans and would like to be treated in the manner in which the Congress has always required of the BIA. Certainly, there must be budget reductions. Let us, and all other American Indian tribes, know how much of a reduction is required. Congress should establish a national target for reductions for all American Indians and Alaska Natives, and then permit us to decide which programs will be affected and in what amounts. We will accept reductions, along with all other Americans, so long as they are equitable and we have a significant role in the decision-making process. Thank you for your attention and for the opportunity for us to advise you of our concerns.

WRITTEN TESTIMONY

on

APPROPRIATIONS FOR INTERIOR AND RELATED AGENCIES
Fiscal Year 1987

Submitted to:

HONORABLE SIDNEY YATES, CHAIRMAN
Subcommittee on Interior and Related Agencies
Committee on Appropriations
U.S. House of Representatives
Room B-308 Rayburn House Office Building
Washington DC 20515

by the:

MISSISSIPPI BAND OF CHOCTAW INDIANS
Route 7 Box 21
Philadelphia MS 39350

March 3, 1986

Phillip Martin
Chief

My name is Phillip Martin, and I am the elected Chief of the Mississippi Band of Choctaw Indians, a tribe of some 4,000 members living on and near 18,000 acres of reservation land in east central Mississippi. Having worked with a tribal government for more than 25 years, I have become familiar with the federal budget process and how it is supposed to work for Indian people, and must state that this year the two primary agencies serving Indians, the BIA and the IHS, have significantly failed to live up to their mandate of consultation with tribal governments prior to budget submission.

I am sure that a part of the reason for this was each agency's lack of permanent leadership during the autumn of last year; but I believe that there are several proposed policy changes incorporated in the President's budget which would have been opposed by the tribal governments had they been consulted, and that the Administration was not anxious to face opposition until after the budget was submitted.

On the BIA side, there is the proposed "switch and swap" of programs with the U.S. Department of Education, the reasons for which elude me. The proposal reminds me of the ill-fated transfer of the Administration for Native Americans several years ago. As Senator Melcher said of ANA at the time, "if it's not broken, don't fix it." The same sentiments apply currently to the Johnson-O'Malley program in BIA and the Indian Education Act Part B program in the Department of Education. Tribes have reached a level of sophistication at which they are more than capable of handling in excess of two funding agencies, and the loss of one of these additional agencies, the U.S. Department of Education, to tribes would mean the loss of a valuable alternative approach to Indian educational problems. This alternative approach was one of Senator Robert Kennedy's aims when he authored the Indian Education Act, and it has resulted in avenues of innovation in education for tribes which the BIA just does not seem capable of producing.

The other area in the BIA budget which will be a problem and on which tribes were not consulted is the so-called "Tribe/Agency Operations" program. Some tribes see this as a block grant in different garb, and point to block granting as the first step toward elimination. I will reserve judgement on that aspect -- but the fact is I can come to no judgements whatsoever on this new program, because how it would work has not been explained to us. Though there have been general statements about increased flexibility, and I wholeheartedly endorse increased flexibility for tribes, we have seen no policy statements, draft regulations or procedures on this, so we cannot tell what "flexibility" will mean in this context.

Among my questions on the "Tribe/Agency Operations" proposal would be: 1) If tribes and agencies are funded from the same pot, how much "flexibility" will the BIA to divert funds from tribal contacts to federal operations? 2) How will programs directly related to the trust responsibility be saved from looting by programs not so directly related? 3) How will the Congress be able to exercise its constitutional responsibility with regard to the tribes, if it can only raise or lower funding to a category so broad it might have been called "All Other"? 4) How will we assure that successive budget reductions to this broad category will not occur, resulting in a *de facto* return to the policy of Termination?

The Indian Health Service side of this proposal is an extreme disappointment, not only because of lack of tribal consultation, but also because it represents a retreat from a major policy commitment of the federal government. While I realize that the cuts in direct health care services occurred after the budget had climbed past the HRSA level in HHS, they nevertheless represent a call of "time out" in the policy the federal government has carried out throughout this century to bring the health of American Indians into parity with that of other Americans. We have become inured to the Administration's annual requests for the elimination of preventive health programs (which represent the real secret to long-term improvements), but this proposal represents the abandonment not only of future health improvements, but of current care levels as well. It could also be viewed as an affront to a Congress which saw fit to specifically exempt IHS direct care from the general provisions of Gramm-Rudman-Hollings.

Neither BIA nor IHS has requested full funding for tribal costs of contract support. BIA estimates its request will meet 92.5 per cent of the need for contract support; and IHS has requested no separate line item for it, citing the proposed "phased resdistribution of resources based on documented health deficiencies." We and the Norton Sound Health Corporation are currently participating with HRSA and IHS in a pilot project aimed at calculating these deficiencies nationwide, and coming up with alternative approaches to funding of tribal adminstrative costs. We are happy to be of help to HRSA and IHS in this pilot, especially in view of our years of conflict with the Area Office on this issue and the possibility that our contract for total IHS operations on the Choctaw reservation will be funded at a level closer to need.

But we remain somehwat dubious as to the depth of IHS' understanding of tribal contract support costs. That agency maintains that administrative costs should be itemized for IHS-specific expenditures and should be limited to no more than a certain percentage of direct costs (at this point in our exercise, 14 per cent.) We fear that proposed general reductions in direct health care and contract health care dollars, combined with specific percentage reductions to tribal contract support costs, will encourage more tribes to consider not contracting, and eventually bring about extensive contract retrocessions. Should that prove to be the case, it would, I feel, not only defeat the purpose of Public Law 93-638, but lead to greater costs in the long run. I say it will lead to greater costs because tribes have proven to be much more innovative in their use of IHS dollars than the agency itself. We, for example, using supply sources unavailable to IHS, negotiations with local providers previously alienated by IHS, a tribal self-funded insurance program, and a creative approach to the development of industry, higher incomes, and infrastructure, have raised the health status of the Choctaw people and supplemented preventive health programs, all of which will save the federal government in the future on a cumulative basis.

Much of this innovation has been the result of activities of our tribal administration, funded by indirect costs awards. For this reason alone, I would again urge the committee to recommend full funding on both the IHS and BIA sides of the budget, for tribal costs of contract support.

Although this testimony concerns appropriations, I would also urge committee members to support H.R. 4174, Congressman Udall's proposed amendments to Public Law 93-638. The issue of contract support is addressed in the proposed legislation, but perhaps even more importantly for us, the language provides for administration and monitoring of tribal contracts at the national level, an idea we have been espousing for a number of years now. There is an inherent conflict in negotiating for dollars with persons whose direct costs must be paid with the same dollars, whose perceived self-interest is in combatting tribal contracting. Centralized administration would provide a nationwide set of rules for tribes to follow and a cadre of federal staff interested in promoting tribal contracting.

Once again I would respectfully remind the members of the committee, and the members of the Congress, that commerce with American Indians, like the national defense, is among the constitutionally enumerated powers of the legislative branch, and deserves, in an atmosphere of expenditure reductions, direct policy consideration through legislation, rather than bearing the brunt of indirect policymaking through proposed appropriation.

Thank you.

WRITTEN TESTIMONY

Submitted to the:

U.S. House Appropriations Sub-committee on
Interior and Related Agencies

Honorable Sidney Yates, Chairman

-Fiscal Year 1987 Interior Appropriations-

Submitted on behalf of:
Sinte Gleska College
P.O. Box 490
Rosebud, South Dakota

Howard Valandra, Chairman
SGC Board of Directors

and

Lionel R. Bordeaux,
President

March 6, 1986

SINTE GLESKA COLLEGE
Rosebud Sioux Reservation
Rosebud, South Dakota

-INSTITUTIONAL PROFILE-

Founded:	Sinte Gleska College was chartered and established in 1971 as an incorporated Tribally-controlled institution of higher education by the Rosebud Sioux Tribe.
Location:	The institution is located on the Rosebud Sioux Indian Reservation in south central South Dakota. The reservation is the home of 12,000+ members of the Sicangu Lakota or Burnt Thigh band of the Western Teton Sioux. The reservation area encompasses twenty (20) Tribal communities in four (4) counties with an expanse of approximately 5,337 square miles. Administrative offices are situated in Rosebud, South Dakota with dispersed campus sites located in Mission and Winner, South Dakota.
Mission Statement:	Sinte Gleska College provides a model for Indian-controlled education. It is an institution governed by the People rooted to the reservation and culture, concerned about the future, and willing to work to see the institution grow. It provides each Lakota person the opportunity to pursue an education and does so in a way that is relevant to career and academic needs. Sinte Gleska College graduates will help determine the future development and direction of the Tribe and its program entities. In sum, the mission of Sinte Gleska College is to plan, design, implement and assess post-secondary programs and other educational resources uniquely appropriate to the Lakota People in order to facilitate individual development and Tribal autonomy.
Accreditation:	The institution is accredited by the North Central Association of Colleges and Schools at the associate (two year) and baccalaureate (four year) degree granting levels. Initial accreditation status was granted on February 1, 1983.

SINTE GLESKA COLLEGE - Profile cont.

Academic Programs: The institution currently offers five (5) associate degree programs in Human Services, Education, General Studies, Business Education and Lakota Studies. Two (2) bachelor degree programs are offered in Human Services and Elementary Education. The College also offers coursework leading to an Associate of Arts degree in Fine Arts.

Governing Body: The College is governed by a nine-member, all Indian Board of Directors. The governing body consists of five (5) members elected at-large from reservation communities; two (2) student representatives and one (1) staff representative elected annually from the student body and staff respectively; and one (1) representative selected from the Rosebud Sioux Tribal Council's Education Committee. All positions have full voting powers.

Staff/Faculty: The College currently employs 78 full-time employees of whom 59% are Indian and 35% have earned masters and/or doctoral degrees.

The establishment of well-qualified and committed faculty continues to be a main source of the institution's strength and effectiveness. The College employs 26 full-time and 24 part-time faculty to teach an average of 100 courses per semester. Of the full-time instructors, seven are Indian and four have earned doctoral-level credentials.

Student Body: The College serves an average enrolled student population of 500 per semester, of which approximately 75% are students of Native American descent.

Other Educational Services: Academic programs are complemented by a variety of support services including financial aids, counseling, registration, bookstore, study skills, library/media and transportation. In addition, adult and community education services are provided in the areas of G.E.D. (high school diploma equivalent) testing, consumer information, secretarial skills, and community-based tutoring.

INTRODUCTION

Sinte Gleska College serves the Rosebud Sioux Indian Reservation of south central South Dakota, an area encompassing four counties that cover 5,337 square miles where some 12,000 tribal members reside in twenty communities. Sinte Gleska College was officially established by the Rosebud Sioux Tribe in January of 1971 as a tribally-chartered higher education institution for the purpose of designing and delivering appropriate post-secondary programs, services and opportunities throughout the Rosebud Reservation. Inherent within this charter has been the responsibility to address the educational concerns of the Lakota People and to help plan for and determine the future direction of the Rosebud Sioux Tribe.

During the past fifteen years enrollment at Sinte Gleska College has steadily increased from 165 (Spring 1971) to 548 (Fall 1985) students. The first associate degrees were awarded in 1973 and the first baccalaureate degrees were conferred in 1980. Thus far, Sinte Gleska College has awarded 119 associate degrees per its Business Education, Education, General Studies, Human Services, Lakota Studies and Nursing programs and 31 bachelors degrees in the fields of Elementary Education, Criminal Justice and Mental Health. Five Sinte Gleska College alumni have obtained their graduate degrees, while three are currently engaged in graduate studies at such institutions as the University of Massachusetts, the University of Utah and the University of Nebraska. All of these graduates, whether at the associate or masters degree level bring an enlightened and requisite dimension of professional expertise to the Rosebud Reservation.

In addition to ongoing curricular efforts, Sinte Gleska College also administers a reservation-wide Adult Basic Education Program including a G.E.D. component and community education services. Since 1972, the Sinte Gleska College Adult Basic Education Program has enabled 1000+ students to acquire their high school equivalency certifications. The Adult Basic Education Program is operated via a P.L. 93-638 contract and has become an integral part of the institution mission at Sinte Gleska College.

Today, Sinte Gleska College is accredited by the North Central Association of Colleges and Schools - the first tribal college in the country to obtain accreditation at both the associate and bachelor degree granting levels. In attaining this historic achievement, Sinte Gleska College demonstrated its ability to manage and utilize institutional resources in an effective manner in order to yield a positive and viable educational model that responds to the unique academic needs of our students and those of the various tribal communities.

Moreover, Sinte Gleska College continues to grow and expand its programmatic scope so that in 1985-86, we are planning to implement the Sinte Gleska College Institute of Economic

Development and the Sinte Gleska College Institute of Alcohol and Substance Abuse. These institutes represent an important institutional endeavor which seeks to specifically focus upon issues and considerations affecting Lakota People in their daily lives and which are critical to the survival of the Rosebud Sioux Tribe. Similarly, in 1985-86, Sinte Gleska College is eagerly anticipating the beginning of a vocational education program which provides training in forestry technology and comprehensive building trades. This particular program proposes to lead students to an associate degree while fostering individual skills and manpower competencies that correspond to tribal priority areas. The vocational education field is just one example of the beneficial programs which can emanate from a strong tribe-tribal college relationship and will prepare the Rosebud Sioux Tribe and Sinte Gleska College for the challenges forthcoming that confront us in the 21st century.

Yet despite our advancement and regular attempts to promote a greater institutional self-sufficiency, Sinte Gleska College is extremely wary of the recently enacted Gramm-Rudman legislation and its potentially debilitating impact on the already unsettled fiscal stability of Indian Tribes. This legislation poses definite threats to Sinte Gleska College wherein key programs and services face substantial reductions and/or elimination in the next few years.

Unfortunately, the arrival of Gramm-Rudman is magnified by a series of legislative complications that date back to the origins of Sinte Gleska College and persist in 1985-86. As Sinte Gleska College enters the FY'87 appropriations process we wish to reiterate and reactivate the past legislative shortcomings and previous commitments before these issues become swallowed up by the Gramm-Rudman rescission machinery and are thus either "lost" or "forgotten" at this critical time of institutional development.

Institutional Resources

The following discussion furnishes a brief overview of the current status of institutional resources and describes how the impending cuts will affect student, instructional and administrative programs at Sinte Gleska College.

STUDENT ENROLLMENT

Enrollment in 1985-86 has averaged 500 students per semester marking the third consecutive year of student growth which started at 400 students in 1983-84. This trend is further reflected in annual F.T.I.E. (full-time Indian equivalency) increases which translates into a larger full-time student population and is the basis upon which Sinte Gleska College receives P.L. 98-192 funding.

Enrollment projections indicate another annual increase for 1986-87 however attendant institutional resources, especially student financial assistance, support services and facilities must also grow to sustain adequate program operations. The latter resources have experienced little or no growth over the past three years, eventhough Sinte Gleska College and its colleagues had successfully secured legislation to provide for these anticipated needs. Without a full implementation of P.L. 98-192 and other federal programs designed to assist Indian Education, we are being forced to recognize premature thresholds of student enrollment when in fact, more and more students are choosing to attend tribal colleges.

STUDENT FINANCIAL ASSISTANCE

The aforementioned student growth has produced a small increase in total financial aid funds at Sinte Gleska College but has not created an increase in per student funding. At best Sinte Gleska College students have looked forward to equivalent awards from year to year which, of course, constitute a net funding loss because of annual inflation factors.

A recent Sinte Gleska College survey, of fourteen colleges and universities in a four-state area, revealed that Indian Community Colleges are the institutions suffering the greatest funding losses in association with the Gramm-Rudman legislation. In 1986-87, Sinte Gleska College will suffer a 19% cut overall in Supplemental Educational Opportunity Grants (SEOG) and College Work Study funds. The result is less funds per student and a higher percentage of students who will receive no funding beyond the PELL Grant.

STUDENT SUPPORT SERVICES

Student counseling and academic tutoring continue to be primary objectives at Sinte Gleska College as tribal members combine educational pursuits with the daily rigors and realities of financial security, unemployment, child care and transportation problems. Budget restrictions have limited the type and breadth of services for Sinte Gleska College students and have prohibited hiring extra counseling personnel to work exclusively with student concerns.

At the center of institutional support services is the Special Services for Disadvantaged Student Program - a favorite target for proposed budget reductions which is vulnerable again in FY'87. Sinte Gleska College has struggled to keep support services flowing consistently to students without compromising the balance of institutional resources. Any decrease in Special Services Program funding would diminish counseling and tutoring and other vital support functions to an unacceptable level at Sinte Gleska College.

ACADEMIC PROGRAMS

The cultivation of quality academic programs and instructional services at Sinte Gleska College can be attributed to the past failure of post-secondary institutions to meet the unique educational needs of Indian students. In 1985-86, Sinte Gleska College is exploring several plans and approaches for implementing new courses and new degrees.

After fifteen years Sinte Gleska College has reached a juncture where institutional development and growth depends upon academic program expansion in order to ensure continued academic integrity and credibility. Funding cuts in preceding years have reduced academic departments to minimal staffing capacities that require an average addition of two full-time faculty positions per department. Each department is in jeopardy of losing substantial personnel and operational support monies commencing in FY'87 with no viable funding opportunities on the horizon.

FACILITIES

Facilities is the least developed of all institutional resources due to the huge demands for capital outlay. Existing facilities are generally too few and too small and will soon become a definite deterrent to overall institutional resource development.

Future prospects for facilities rest clearly with P.L. 98-192 which authorizes construction funds to qualified institutions. Sinte Gleska College satisfies the legislative criterion for such construction and indeed possesses an immediate need for new facilities. Appropriations under Section 113. of P.L. 98-192 would supply enormous impetus to the long-range educational thrust of Sinte Gleska College on the Rosebud Reservation.

Statement of Need

Like many higher education institutions in the 1980's, Sinte Gleska College has assumed a conservative posture relative to the establishment of its annual operational budgets. Traditional funding sources, nearly all derived from a federal base, have been gradually reduced, eliminated or maintained at disproportionate levels during the last five years in comparison to total institutional need.

In light of these fiscal circumstances, Sinte Gleska College has initiated a series of measures to accommodate current budgetary constraints. Budget projections for FY'87 include no salary or cost-of-living increases although some personnel areas may receive slight salary augmentations. For example, in 1984-85, Sinte Gleska College was able to augment support staff salaries and in 1985-86 augmented faculty salaries. Nonetheless, salary ranges in all personnel areas remain low and there has been only one across-the-board raise for Sinte Gleska College employees in the last five years. A five percent across-the-board raise for 1986-87 would amount to $58,785.

Other operational expenses involving travel, equipment, training, revnoation and expansion costs are also subject to severe limitations. In arriving at this point of fiscal austerity Sinte Gleska College employees have fashioned cost-efficient programs featuring hard-working and dedicated individuals who are willing to make personal sacrifices to build Sinte Gleska College into a leader in the field of Indian Education.

In respect to revenue, short-term private and federal grants comprise 45.5% of the institutional budget at Sinte Gleska College. The majority of these grants are classified as "categorical" in that funds must be expended for explicit programmatic purposes and not basic operational expenses. Sinte Gleska College will lose six grants following the 1985-86 year and may lose its Title III Program following 1986-87. The latter grant has averaged approximately $308,000 per year within the past four years and encompasses 15 positions throughout the entire institutional spectrum at Sinte Gleska College.

In sum, Sinte Gleska college has strived to identify a wide array of funds in order to gain a constant annual fiscal base. There is no excess in our budget and even minor federal funding reductions will impose hardships on every facet of institutional program operations.

P.L. 98-192

P.L. 98-192, an act to amend and extend the Tribally-Controlled Community College Assistance Act of 1978 (P.L. 98-471), contains some provisions which, if properly implemented, will be beneficial to the funding and development of tribal colleges. The concept of forward funding, facilities construction and the establishment of endowments, all authorized by P.L. 98-192, are crucial to the future of Sinte Gleska College. At this time Sinte Gleska College wishes to reiterate its concerns regarding P.L. 98-192 and request Congressional consideration of the following areas.

Forward funding, common for most educational institutions receiving public dollars, will establish appropriation levels for a two-year period rather than the current one-year method and will enable Sinte Gleska College to better plan the offering of its educational programs. The major advantage of forward funding to Sinte Gleska College will be a knowledge of P.L. 98-192 fund availability and an enhanced management capability to define the need for additional institutional resources. Historically, the amount of P.L. 98-192 funds awarded to Sinte Gleska College is not known until after six to nine months into our ongoing fiscal year.

Of paramount concern to Sinte Gleska College is the level of appropriations for eligible tribally-controlled colleges under P.L. 98-192. The problem since the enactment of the law has been that funding was never appropriated at the authorized level of $4,000 per F.T.I.E. as provided in P.L. 95-471, nor has it ever been appropriated in accordance with P.L. 98-192 legislation. The pro rata amount has fluctuated between $2,400 and $3,100 and has been dictated more by Congressional appropriations than by actual student enrollments within an academic year.

For example, P.L. 98-192 is mandated to award $5,415 per full-time Indian student during FY'86. We have been informed that Sinte Gleska College should expect about $2,400 per student, minus any Gramm-Rudman decreases. Unfortunately, the prospects of securing $5,415 for the current year are nil because the Bureau of Indian Affairs has still not enacted the necessary P.L. 98-192 program guidelines.

In addition to basic operating funds, P.L. 98-192 is also authorized to appropriate monies for facilities construction for accredited tribal colleges and to approve grants for establishing endowment programs, both critical areas which would enable and enhance institutional development for Sinte Gleska College. Monies have never been appropriated for these programs nor has the Bureau of Indian Affairs initiated any steps for implementation. Here too, the lack of P.L. 98-192 guidelines deny essential opportunities for the Rosebud Sioux Tribe and Sinte Gleska College.

P.L. 93-638

Another example of unresolved institutional issues pertains to the matter of Snyder Act funding at Sinte Gleska College and the subsequent loss of $220,000 in annual operating monies and a total cumulative loss of $1,320,000 since FY'81. (Initial funding for Sinte Gleska College was awarded per the authority of P.L. 67-85, the Snyder Act of 1921. Sinte Gleska College eventually contracted these funds per P.L. 93-638.) In this case, the Bureau of Indian Affairs moved unilaterally and without tribal consent to remove Snyder Act funds from the tribally-banded budget--only to be restored at a much reduced funding level (FY'86, $136,500).

Sinte Gleska College has regularly sought a restoration of these Snyder Act funds to the original $358,300 level but not at the expense of annual tribal allocations. More recently, the Bureau of Indian Affairs has moved to eliminate contract support funding (indirect cost) in conjunction with Snyder Act funds - a decision which translates into an additional loss of $25,116 for Sinte Gleska College. As such, Sinte Gleska College would again request that Snyder Act monies be restored to a level of $358,300 and that the Bureau of Indian Affairs fully examine and clarify its treatment of indirect costs vis a vis P.L. 93-638 funding.

Sinte Gleska College also administers P.L. 93-638 programs in the Bureau of Indian Affairs Higher Education Scholarship and Adult Education areas. The former is accomplished through contracted agreements with the Rosebud Bureau of Indian Affairs Agency wherein 25%-28% of the total allocation is set aside to fund Sinte Gleska College students and is designed to directly assist those tribal members who choose to pursue their post-secondary aspirations while remaining at home on the Rosebud Reservation.

The average Bureau of Indian Affairs Higher Education grant award during the past eight years has ranged between $1,000 - $1,200 per student and serves to defray 60% of the financial need (after Pell Grant and Student contribution) for each Rosebud Agency student who is receiving such funds. And therein lies the problem--the B.I.A. Higher Education Scholarship monies have not increased to meet the growing student poplation at Sinte Gleska College as more students display the need and eligibility for financial assistance. To illustrate this point, in the 1986 Spring Semester, 65 Rosebud Agency students are receiving B.I.A. Higher Education Scholarship funds and as many as 180-200 students are left with no funding.

A similar problem for Sinte Gleska College graduates will occur starting in FY'87 due to the elimination of the B.I.A. Special Higher Education Program in the amount of $1,939,000. As administered by American Indian Scholarship, Inc., this program funds approximately 200 graduate students per year and in 1984-85 awarded grants to four Sinte Gleska College alumni and one former Sinte Gleska College employee. Sinte Gleska College supports the restoration of the B.I.A. Special Higher Education Program so that we can continue to look forward to advanced educational training for future Indian professionals and leaders who can serve the interests of the Rosebud Sioux Tribe.

The B.I.A. Adult Education program at Sinte Gleska College is also confronted with diminishing funds which have significantly reduced the level of services and opportunities for local recipients. In 1985-86, the Sinte Gleska College Adult Basic Education Department no longer offers community education classes and has restricted tutoring and testing activities to five main communities, instead of reservation-wide programs. This limited scope has resulted in a decrease in the number of annual G.E.D. graduates, which in turn, can be attributed to the shortage of tutors and the absence of test administration in each community. In FY'86, Sinte Gleska College will expend about $12,000, from other sources, to maintain the B.I.A. Adult Education program at a minimal level.

In closing, Sinte Gleska College asks that our aforementioned concerns be noted in the FY'87 appropriations process and that our recommendations with respect to P.L. 98-192 and P.L. 93-638 be given consideration before any final funding decisions are made by Congress. Thank you.

Prepared Statement of the
Association of Navajo Community Controlled School Boards, Inc.
On the FY 87 Budget Regarding Indian Education

Submitted to House Appropriations Subcommittee
on Interior and Related Agencies
March 6, 1986

Part A of this statement will reflect concerns about specifics in the Administration's proposed FY 87 budget request to the Congress.

Part B of this statement will reflect concerns about proposed changes in the Department of Education's **Bilingual Education** budget submission, as it affects contract schools.

Part C of this statement will reflect concerns about the implementation of the Gramm-Rudman-Hollings Balanced Budget and Emergency Deficit Reduction Act of 1985.

PART A FY 87 BUDGET SPECIFICS - BUREAU OF INDIAN AFFAIRS

1. General Funding Level - BIA Education

Overall, we support the President's submission on the general funding levels of the FY 87 budget request.

The budget reflects a sufficient level of funding in light of the tremendous budget deficit facing the Nation. It reflects that the Administration already recognizes that **basic operating educational services to the disadvantaged Native Americans served by the BIA are already at their lowest possible levels for the continuation of such basic services.** But although requested at acceptable levels, PL 99-177 could render such levels of funding to devastatingly lower levels if applied as anticipated. This possibility and its impact will be noted later.

2. Bilingual Education.

ANCCSB objects to the proposed cut of $1,500,000 and proposed revisions anticipated for eligibility to participate in bilingual education.

a. On p. BIA-42 we are shown what appears to be a precipitous drop in "Bilingual" ADM and WSU's. The BIA now funds .2 WSU (c. $400) for students who meet the stringent criteria for non-English-dominant students in an honest bi-lingual program. Such monies must be used for bilingual education; the receipt of TITLE VII or other funds does not allow the school to use the BIA bilingual funds for other purposes. Appx. $400 per pupil will not "buy" an adequate bilingual program; it can be a big help to a school that is serious about such a program and willing to use some of its basic funds for such.

	Actual FY 86		Est. FY 87	
	ADM's	WSU's	ADM's	WSU's
A. Basic	38,498	43,315	38,360	43,163
B. Exceptional	5,927	3,471	5,900	3,455
C. Bilingual	8,053	1,611	6,260	1,252
T Instructional WSU's		48,397		47,870

The BIA anticipates 4/10ths of 1% drop in students receiving "BASIC" instruction. It anticipates c. 1/2 of 1% drop in students receiving supplementary "EXCEPTIONAL CHILD" instruction. But it anticipates a 22% drop in supplementary "BILINGUAL" instruction!

Stated another way, the BIA anticipates the loss of 152 "BASIC" students, 27 "EXCEPTIONAL" students, and 1,793 "BILINGUAL" students.

And where, pray, might all these "Bilingual" students be going? We're not told. At least we could find no explanation in the budget justification.

What may well be at play here is yet another attempt by people in OIEP to restrict the extent of "Bilingual" instruction under the naive and mistaken notion that "all children learn English in six months to two years." While this may be true of middle-class immigrant children in Arlington and Fairfax counties, it is most definitely not the case on many Indian reservations as the BIA schools' test scores all too eloquently attest.

These attempts to restrict the extent of bilingual instruction is contrary to national policy on bilingual education (PL 98-511), contrary to BIA policy as defined in the regulations (cf. 25 CFR 32.4(h) Multilingual education), contrary to TITLE VII regulations and practice, contrary to most reputable research, and contrary to common sense.

OIEP attempted earlier to restrict bilingual instruction to the primary grades by issuing "Guidelines" on the subject. These had to be withdrawn because the so-called "Guidelines" attempted to change (or subvert) regulations. A draft of proposed regulations would restrict bilingual instruction to no more than three years for any one student. This draft has never been issued as proposed regulations. Yet (we suspect) the apparent "loss" of 1,793 "Bilingual" students may well be an attempt to smuggle OIEP's dicta in by appropriations language (or rather numbers). Until or unless these draft regulations are proposed, and accepted, the existing regulations remain: they state no such limit on Bilingual Education.

We have serious doubts about the propriety of establishing "Exceptional" and "Bilingual" as lines separate from "Basic" except for planning purposes. We seriously doubt the BIA's (or anyone else's) ability to predict next year's enrollment accurately. We would hope that these figures are only estimates for planning purposes.

It would appear to us that the BIA may be trying to smuggle in changes in laws and regulations by means of number games in the appropriation process.

We urge the Congress to reject this attempt and to (re-)direct the BIA to follow national policy as stated in PL 98-511: the BIA should be insisting on and encouraging good bilingual instruction in the schools it funds instead of attempting to limit or eliminate bilingual instruction in these schools.

3. Education Standards (Implementation)

We support that BIA's request to the Congress for additional funding to meet the newly established standards. We object that these funds are not made available to contract schools. This is discrimination.

The BIA justifies the request of $300 K for the costs to upgrade BIA professional staff to achieve state certification. However, that the BIA limits these funds to BIA-operated schools discriminates against contract schools who have accepted the BIA standards for their own, or who have selected alternative standards, which all call for increased staff training. **Contract schools can reduce funds to students to meet the standards their Boards have chosen.** Bureau staff can obtain add-ons.

We request the Congress to either allow such add-on funds to meet the chosen educational standards top be shared by all schools needing such funds, or to add these funds to basic WSU funding, so that all schools can equally participate in these services.

4. School Boards

We support the request School Board training and expenses.

We request that the Congress require the BIA to declare how these funds will be distributed prior to the budget request is approved.

We recommend that the SB "expense" funds be distributed to each school board on a pro-rate/fair share basis, as Board responsibilities are basic services for all schools, no matter what size school is considered; and that the "training" funds either be shared to each School Board equally, or that in report language, the Congress instruct that such funds be contracted out to appropriate Indian education organizations that can continue to provide appropriate School Board training, such as NISBA, ACTS, NASBA and ourselves, ANCCSB.

We urge the Congress to discourage the BIA from keeping these funds in the Central Office and to offer centralized training from their offices, such as the once suggested 5-day training program in DC for all School Boards (which would be a horrendus waste of money and resources.)

5. Student transportation

We support and acknowledge the value of the extra factor consideration for student transportation on the Navajo Reservation.

For those aware of the road conditions on the Navajo Reservation and in the Southwest, this consideration of additional funds to meet day school and boarding on the Navajo Reservation is well taken and appreciated.

6. Contract Support

The BIA needs to increase this line item request, as the funds appropriated since 1984 have been increasingly insufficient to meet the distribution directives as set by the Congress and BIA.

In 1984, at the request of the Senate Appropriations Committee, contractors under PL 93-638 were to receive a "fixed" amount for indirect costs/administrative services, **at the 100% level of the FY 84 need** as determined by the application of unadjusted indirect cost rates or lump sum agreements.

These levels have never been fully funded!!!

In 1984, with promises and assurance by the BIA and the Congress, we received less than 97% of identified need; in 1985, schools received from 85% to 100% of needs (the distribution has never been equal and fair, which was also promised by the BIA). New contract schools received 25% of need, or less-- a penalty now associated with contracting under 638.

Preliminary estimates for FY 86, **without Gramm-Rudman considerations** are around the 85% level.

We request that the Congress re-evaluate and seek recommendations on how administrative costs **should be** handled, and that funds be distributed equitably and relative to need.

We also request that this Committee seek an audit of the BIA's handling of the ICSF for the past three years, to uncover the rationale for such unequal distribution of these funds.

7. Fund transfers with Department of Education

We do not support the proposed transfer of funds and functions between the BIA/OIEP and Dept. of Education/TITLE IV. We assert that TITLE IV/Indian education has been effective, and has made contract schools truly Indian schools. IF IT WORKS, DON'T FIX IT!!!

a. Both the BIA and Dept. of Ed. have used the appropriations process to change statutory law on the structure of Indian education and Congressional policies and priorities. We object to the use of appropriations request to make such fundamental and essential changes.

We request that the proposed transfers be taken to the appropriate committees in the House and Senate for review, input from the Indian education committee and thorough review prior to implementation.

b. Both agencies are proposing a false dichotomy: "public school Indians" vs. "federal school Indians." For sovereign Indian nations, there are only tribal Indians: they are one.

c. The proposed transfer deletes all safeguards presently found in both JO'M and in TITLE IV/Indian Ed.

d. The proposed transfer gives to each agency the control of such funds that are in the greatest conflict of interest to their programmatic responsibility. Contract schools will fare much worse with the BIA determining who will receive funds than is presently done.

e. The Dept. of Ed. proposes to block grant JO'M funds to the states, where state administrative costs will eat away at program dollars, and tribes will have little or no say in program development. Tribes will be prohibited from contracting JO'M funds under PL 93-638.

f. The BIA will distribute what was once funds restricted to contract schools (that went to 50 some schools) to a much broader base of near 200 schools, **without increasing the volume of dollars available.**

Although we do not object that BIA-operated school share in additional funding, we believe the BIA should request such "discretionary" funding for its schools **through the proper process, such as through the "adjustments" section of this budget request. They should not reduce funding to non-profit**

corporations/tribally-operated schools for their own budgets.

g. This transfer will cause to be established **a new Central Office bureaucracy** that will have to "re-invent the wheel" and waste limited resources; the present system works, and works well. There is sufficient evidence from experience that the BIA/OIEP would not be able to handle the new responsibility in this conflict of interest situation; proposed changes in the bilingual education formula factor (as noted above) AGAINST the BIA's own policies and national education policy, it's highly prescriptive and complex procedures in distributing PL 94-142 and CHAPTER I funds and contract review procedures outside of PL 93-638 are some gross examples.

h. TITLE IV funds are now available for schools who wish to start up and establish themselves as contract schools -- which would be eliminated via this transfer.

i. The transfer reflects a **power grab by the Central Office** and ignores the Congressional intent of the **Indian controll** of these funds.

j. The transfer would deny presently available TITLE IV funds to non-federal, non-public schools. The block grant of the remaining TITLE IV funds by the Dept. of Ed. to states would cut out these small and struggling alternative schools.

k. The research done on TITLE IV funding shows that it is a very effective program. The transfer could not possibly improve upon this. IT COULD DESTROY THE GOOD THAT HAS TAKEN YEARS TO ACCOMPLISH!!!

PART B DEPARTMENT OF EDUCATION / BILINGUAL EDUCATION

We object to the decidedly malicious attempt by the Department of Education to monolingualize the Bilingual Education Act.

Because we have not been able to obtain a complete copy of the Dept. of Ed.'s budget justification for FY 87, our comments must be brief. But the Administration's intent is clear: eliminate true bi-lingual education.

With a single off-handedly technical-sounding sentence, the Secretary of Education casually moves to monolingualize the Bilingual Education Act.

> **That the limitations in Section 702(b)(3) and 702(b)(4) shall not be in effect.**

DEPT. OF ED. BUDGET SUMMARY I-17

Section 702(b)(3) (of PL 98-511) limited so-called "special alternative instructional programs" (translation: "English-only "immersion programs") to no more than 4% of all TITLE VII funds.

Section 702(b)(4) insisted that at least 60% of all TITLE VII funds be reserved for Part A (instructional) programs and that at least 75% of that be reserved for "transitional bilingual education programs." I.E., a minimum of 45% of all TITLE VII funds were to be spent on transitional bilingual programs.

The net effect of removing 702(b)(3 and 4) would be to leave it entirely up to the Secretary how much of the available money would go to the three "basic programs" types.

The Secretary has made it plain in public speeches his opposition to real bi-lingual education. He has proposed a set of regulations which could give English-only projects 20-30 points **more than developmental projects** and up to 20 **more points than transitional projects.**

IF the Secretary is allowed to award grants as he, not the Congress, wishes, using rigged selection criteria, federally-funded bi-lingual education will cease to exist, despite the fine-sounding statements of national policy in PL 98-511.

In addition, the Secretary casually removes $30,000,000. (17% of all TITLE VII funds) to be used for (obviously mono-lingual) Emergency Immigrant Education. This even before he would begin to distribute TITLE VII money for bi-lingual programs.

And, without trying to delete or change Section 702(b)(5), which reserves 25% of all TITLE VII funds for Part C (training), the Secretary cooly cuts Part C to $10,000,100. **This is not 25%, but 5%!** IF most or all grants go to English-only "immersion" projects, and very little money will be spent for training, Congress will end up paying the more affluent school districts (who could have afforded "immersion Projects" with their own funds) to use TITLE VII monies to run old-fashioned pre-TITLE VII "submersion"* projects.

* There is, in theory, a distinction between "immersion" and "submersion" projects. It has to do, basically, with trying to see that content (and skills) are taught using English just a little bit more difficult than the children now control so that they are (in theory) learning both content (or skills) and English. In practice, however, it seems almost impossible to write regulations that would ensure that a project was actually trying to do this. While a TITLE VII project might have an impressive looking set of objectives and tests, it could be in practice yet another old-fashioned sink-or-swim "submersion" project.

A year or more's careful work in crafting the compromises within Congress to achieve a good and workable Bilingual Education Act will have been for nothing: c. $173,000,000. of federal monies will be handed over to institutionalized bigots.

We urge the Congress **NOT** to allow the Secretary to play ideological games with the Bilingual Education Act; that the Secretary's attempt to change the distribution of funds be rejected; that the Secretary be told (yet again) that he will be expected to distribute the funds according to law.

PART C IMPACT OF PL 99-177 GRAMM-RUDMAN-HOLLINGS ACT

We urge the Congress to carefully consider the relationship of the United States to Native Americans, the importance that the Congress has aready announced in saving poverty programs for unmanaged automatic cut backs, and provide for Indian Education and exemption from PL 99-177 at the level provided for the United States Indian Health Facilities and Services.

We ask that this Committee take to the Congress this request and to speak on behalf of the disadvantaged children attending BIA affiliated schools.

1. The Congress is aware that up until the night before PL 99-177 was passed by the Congress, BIA education was placed in the pool of programs exempt from the G-R-H act.

2. The President's budget for FY 87 generally recognizes that Indian Education cannot be cut back any further, without there being a very significant loss of program, if not annihilation of program.

3. The Navajo contract schools present the following example of how one fairly well established contract school, with acknowledged program competency, will be affected if a 25% cut is applied to the OIEP budget. We ask that the reader carefully look at what will happen: it will much worse at the less established, smaller school. It is unlikely that any BIA school will be able to meet the standards of the BIA, the state located in, or regional accrediting standards.

TESTIMONY SUBMITTED TO
UNITED STATES HOUSE OF REPRESENTATIVES APPROPRIATIONS SUBCOMMITTEE ON INTERIOR & RELATED AGENCIES

by

RUSSELL HAWKINS, CHAIRMAN OF THE BOARD OF DIRECTORS

for

UNITED TRIBES EDUCATIONAL TECHNICAL CENTER
3315 SOUTH AIRPORT ROAD
BISMARCK, NORTH DAKOTA 58501

MARCH 6, 1986

INTRODUCTION

HISTORY

The United Tribes Educational Technical Center is a unique inter-tribal vocational/ technical school. Located on a 105 acre campus three miles south of Bismarck, North Dakota, the institution is a state chartered non-profit corporation owned and operated by the five reservations located in whole or in part in North Dakota. These reservations include: the Three Affiliated Tribes of Fort Berthold, the Devils Lake Sioux, the Sisseton-Wahpeton Sioux, the Standing Rock Sioux, and the Turtle Mountain Chippewa. Control of the corporation is vested in a ten member Board of Directors comprised of the Tribal Chairman and one other member of each Tribal Council.

Originally established in 1969, UTETC has been in continuous operation for nearly seventeen (17) years. As the first tribally controlled residential vocational school in the nation, UTETC is committed to the economic, social and cultural advancement of Indian people. It is UTETC's philosophy to provide an environment where students and staff can preserve and transmit their knowledge, values and wisdom to ensure the survival of Indian people, now and in the future, while increasing individual opportunities to improve the quality of life. The Center seeks to initiate and sustain educational and economic programs aimed at the self-sufficiency and realization of self-determination of American Indians.

The United Tribes Educational Technical Center is the only Indian or tribally controlled postsecondary technical institution specifically designed to meet the needs of the American Indian family. This is evidenced by a waiting list that consistently numbers over 200 students each quarter.

CLIENTELE

The enrollment of United Tribes from 1979 to the present has annually averaged 250 students from as many as 39 different Tribes and 13 states. A majority of the students have never spent more than one year away from the reservation and have histories of chronic unemployment due to an extremely depressed local economy and educational deficiencies which are well below the national average.

Almost all students who attend UTETC are from economically disadvantaged backgrounds. Approximately 67% of the 1986 student body received public assistance payments such as Aid to Families with Dependent Children or General Assistance in the year prior to attending school. This percentage does not include those who may not have received direct payments but who were recipients of programs such as food stamps, subsidized housing or energy assistance.

As a general rule, the UTETC students manifest educational deficiencies well below the national averages. The Adult Test of Basic Education scores for incoming students clearly illustrates the educational deficiencies of the student population. Eighty-five percent score at the ninth grade level or below in English; 97% score at the ninth grade or below in math, and 78% score at the ninth grade or below in reading. Although these statistics are important, the rates for students scoring eighth grade or below are more graphic. In this area, about 55% annually score eighth or below in English, 85% in math, and 55% in reading.

The philosophy of United Tribes is that the Indian family is the key to any success, now and in the future. Accordingly, while the Center serves single students, it continues to emphasize and direct its services toward married couples and single parent families. The dependent children of students increases the average on center population to approximately 400 individuals. Excluding single students, the average family unit on campus is currently 3.25 individuals. It should be noted that family size varies from two people to families of eight or nine.

SERVICES

United Tribes Educational Technical Center provides those institutional activities which are fundamental to the delivery of vocational education. These include:

- °a core of vocational programs which have been ongoing and updated throughout some sixteen years;
- °supplies and equipment for the vocations;
- °adult education for students needing basic skill development or who wish to enter vocations requiring GEDs or high school diplomas;
- °a modest offering of cultural and recreational activities that necessarily supplement the programs of any credible postsecondary institution;
- °counseling and placement services for United Tribes students;
- °support services such as the cafeteria, housing, maintenance, student transportation, administration and fixed costs.

In addition to these services, the Center provides other services relevant to its family centered philosophy. These are an elementary school, a child development center, a nursery and a dispensary.

United Tribes exists as an Indian family community. It is designed to serve Indian people who are either not served adequately or who are not served at all by more traditional programs. As such, the Center represents the first tangible and realistic opportunity for successful vocational training and subsequent employment for most of its students.

OPERATING AUTHORIZATION

United Tribes operates under the auspices of P.L. 93-638, the Indian Self-Determination and Education Assistance Act. The United Tribes Educational Technical Center's prime contract is a line item in the Bureau of Indian Affairs budget under the Employment Assistance Adult Vocational Training category.

ACCREDITATION

United Tribes is accredited by the North Central Association of Colleges and Schools at the certificate granting level. North Central completed its reevaluation of the Center's ten vocational programs in 1985 and granted full continuing accreditation through 1990.

FY1987 APPROPRIATION REQUEST

United Tribes Educational Technical Center is requesting a $2,100,000 appropriation for Fiscal Year 1987. This amount will provide the direct cost and contract support funds for the Center operations.

NEED

Since 1979, UTETC has experienced several reductions in the base direct operating budget. From the 1979 appropriation of $1,585, the successive budgets have been: 1980, $1.429 million; 1981, $1.338 million; 1982, $1.056 million; 1983, $1.056 million; 1984, $1.210 million; and 1985, $1.167 million. The 1985 appropriation represents a reduction of 26.4% over the 1979 budget.

During the same period, the cost of purchasing goods and services has risen sharply due to inflation and normal cost increases. As an example, the Center has experienced large increases in the cost of utilities since 1979. The cost for electricity has risen about 58% per unit while the per unit gas cost has increased approximately 57%. Over the years, the Center has for the most part been able to offset rate increases by implementing stringent conservation measures such as improved weatherization and reductions in building temperatures. However, it must be noted that consumption cannot be further reduced because of the location of the Center and the harsh winters of the northern plains.

In the area of staff costs, the average instructional salary has risen 29.6% from 1979 to 1985. This figure represents an annual salary increase of less than 5% per person. While these increases have been minimal on a yearly basis, the net result is that the Center must spend more dollars to purchase competent instructional services. While the Center continues to serve essentially the same number of students, the higher salary cost and budget constraints have necessitated a 14% reduction in the prime contract staff. As a result of the reduction, adjustments have been made in the assignment of staff duties. In some departments, this has meant that fewer staff people handle greater workloads. In other areas, the duties of departments that cannot be staffed have been reassigned to other personnel. Even though the staff has performed well under the increased demands, the net effect has been that less services are available to the student body. Further staff reductions may seriously jeopardize the Center's survival.

The diminished funding for the Center has meant that funds for the replacement of worn out equipment and/or the purchase of new instructional materials have, for the most part, been unavailable. Increasingly, the lack of new equipment will seriously impact the quality of the vocational programs. The classroom materials used in vocational education must reflect the "state of the art" in the workplace. Failure to do so can jeopardize the adequacy of training and subsequent entry into the workforce.

Lack of available resources has also meant a limitation on the repair and maintenance of the physical facility. The facility occupied by the Center is the old Fort Lincoln army post. As such, other than the more recently constructed skills center, the child development center, the cafeteria, and part of the community center, the majority of the buildings are more than 80 years old. Continuing a course of nonrepair will ultimately prove more costly as the repairs will be greater.

Another area of great need is the campus streets. For the last eleven years, little or no repair has been possible. Given the deterioration from age and the traffic on Center, an independent engineering firm estimated the repair for the 3.1 miles of streets at $700.00. The Center is currently seeking alternate resources for street repair.

Historically the Center placement rate for graduates has been 85% per year. Some graduates have developed their own business ventures while others have continued their education at other schools.

While the placement rate is a significant and visible demonstration of the success of the vocational training, it is not only gain of UTETC graduates. Some of the gains are of an intangible nature and, therefore, extremely difficult to measure; however, there are some points of consideration that should be noted here.

Starting wages for placed graduates can vary widely. For the FY 1985 graduates starting salaries varied from a low of $3.35 per hour to a high of $12.00 per hour. The average starting wage was $4.81 per hour.

As stated earlier, 67% of our students were receiving direct welfare payments prior to entry into school. The average payment was $816.00 per year per individual.

Using historical figures and projections based on available data, the potential savings in direct public assistance can be calculated. For this purpose, an annual graduation figure of 100 students will be used. Each graduate will be considered to have one dependent. (Note: Although the average family size is 3.25, this will allow for graduates who are single.)

Potential direct payment savings may be calculated as follows:

100 graduates x 85% placements = 85 placed

85 placed x 67% welfare recipients = 56 recipients

56 recipients x 2 individuals/graduate = 112 people

112 people x $816 annual payment = $91,392 potential savings

Although current contributions in the form of income tax payments have not been calculated, it is of note that taxes plus the savings in direct assistance will constitute a sizeable dollar figure.

In the special allocation request submitted by United Tribes Educational Technical Center to Congress in April, 1981, the net gain realized through payment of taxes and reduced assistance was calculated.

At that time, the average salary was $1,500 lower and the per year payment for public assistance was about $100 less than the 1985 figures. The 1981 figures showed that the cost of training would be repaid in 6.39 years of post graduation employment.

LEVEL OF FUNDING

If the future of United Tribes Educational Technical Center is to be assured, sufficient funds must be provided by Congress. Congress has traditionally provided and directed a minimum of $1.2 million annually for the direct costs of the Center. Despite this, the BIA has attempted to apply continued reductions to the UTETC budget.

Although the Bureau of Indian Affairs budget request includes a $1.702 million for UTETC, it is important to note that this figure does not represent an increase over FY 1986, but rather a reduction.

In prior years the BIA requests showed only the direct costs. Contract support (indirect costs) were provided separately. This year, the BIA budget request includes both direct and contract support dollars.

Based on the Center's current indirect cost rate negotiated with the Inspector General, this is a direct cost request of $1,171,370,000 with contract support in the amount of $530,630. This is a .5% decrease from the FY 1986 appropriation of $1,177,484.

The $1.7 million request is highly inadequate and could jeopardize UTETC's ability to function at a minimum effective level. In fact, this level of funding could be so dehabilitating that it could cause UTETC to close its doors.

Since 1979, UTETC has practiced all possible austerity measures and yet has maintained a quality program. The quality of the programs is well evidenced by the continuing accreditation of the North Central Association of Colleges and Schools.

In addition, .UTETC has and will continue to call on other federal and private sources to meet its needs. This is evidenced by the recently completed skills center. This building represented a combination of Economic Development Administration funds and private foundation dollars.

The $2,100,000 request represents a direct cost of $1,445,286 and $654,714. This dollar amount represents the minimum budget necessary for United Tribes Educational Technical Center to continue providing a needed and quality vocational program to Indian people.

STATEMENT OF

HARRIS ATKINSON

MAYOR

METLAKATLA INDIAN COMMUNITY

BEFORE

THE SUBCOMMITTEE ON INTERIOR & INSULAR AGENCIES

HOUSE APPROPRIATIONS COMMITTEE

March 6, 1986

Mr. Chairman, my name is Harris Atkinson. I am Mayor of the Metlakatla Indian Community, an Indian tribe organized under section 16 of the Federal Indian Reorganization Act, which owns and occupies the Annette Islands Indian Reservation established by the Act of Congress of March 3, 1891. I appreciate the opportunity of presenting the views of our tribe on the Administration's budget request for FY 1987 for the Bureau of Indian Affairs and the Indian Health Service.

Our Community realizes the importance of fiscal responsibility and careful budgeting. We have operated our own community government and business enterprises since our reservation was established nearly a hundred years ago. In fact next year we will celebrate the centenary of the founding of Metlakatla on

Annette Island as a self-governing Indian community. When the Alaska Native Claims Settlement Act was passed, Congress prohibited us from ever participating in any of its benefits, because we refused to give up the trust status of our reservation. As a result, the federal trust responsibility to the Metlakatla Indians rests on exactly the same basis as it does to reservation Indians in other states. We are shocked and troubled by the failure of the FY 1987 BIA and IHS budgets to reflect the needs of Indian and Alaska Native peoples and the responsibilities of the United States expressed in many federal treaties and statutes.

Bureau of Indian Affairs

Although we understand that the drastic reductions of BIA services in Alaska do not apply to the Annette Islands Reserve as it is trust land and under the jurisdiction of the Portland Area Office, we strongly object to the proposal to gut federal services for our fellow Alaska Natives. We know full well that arguments for these reductions -- especially the claim that improvements in the State's economy have eliminated their need -- are without any factual support. We understand that the Governor of Alaska has made plain to your Committee that the State is not able to step into the place of the Bureau. The need of the people in the Alaska Native villages for such programs as adult education, child welfare, small tribes grants, and assistance in water development, road maintenance and similar programs is too clear to need proof from us.

We fully support other Alaska Natives in fighting these reductions. At the same time we request that you obtain assurance from the Bureau that the Annette Island reservation (to which the federal government holds title in trust for the Metlakatla Indians) will not be affected in any way by these cuts in programs administered by the Juneau Area Office but that we will continue to be eligible for such programs through the Portland Area Office as we are now.

We strongly oppose the transfer of the Johnson O'Malley program from the Bureau of Indian Affairs to the Department of Education. This program has benefitted our children in the schools of the Annette Island School District. The Bureau has experience in administering this program. Significant reforms making the program more beneficial to Indian children have been implemented by the Bureau in the last fifteen years. A transfer to the Department of Education strikes us as another step toward diluting the special relationship between the federal government and Indian children. This Indian program should continue under the Secretary of the Interior, the principal federal official charged with a trust responsibility to Indian and Alaska Native people.

We are concerned at the proposal to combine many BIA programs in a single category entitled tribe/agency operations. While some may consider that this approach increases tribal flexibility to use these funds, we fear that we will find it much more difficult in the future to demonstrate specific needs to the Congress as we have been able to do in the past in such categories as law enforcement and natural resources development. We understand that some in Congress have in the past expressed concern that increases provided for specific purposes have been transferred to other purposes through the tribal priority setting process. This concern is legitimate. We feel that it will be fairer to tribes and encourage accountability to the Congress to continue the designation of the purpose of the BIA funding as at present.

At Metlakatla we are depending on federal assistance through HUD and BIA to address our shortage of decent, safe housing. We oppose the drastic reduction in BIA housing improvement and we urge that your Committee reconsider its mandate that 638 administrative costs not be paid from contract support for HIP contracts. This directive is in conflict with contractual commitments made to Indian tribes with respect to the "grand-fathering" of contract support and will reduce the dollars available to meet the housing need. We question how a voucher system can assist in providing housing for low-income residents of Indian reservations where no decent housing is presently available.

We urge the Committee to reject the cuts in child welfare grants for urban Indian organizations as well as for ICWA programs in Alaska. We need this program desperately both here on our reservation and for those of our people who now live in urban areas (such as Seattle). We, again, specifically request clarification that any proposed elimination of this program in Alaska shall not apply to the Annette Islands Reserve. Our people are entitled to the continuation of Bureau services available to Indians who live on Indian reservations in other states.

We also oppose the cut in self-determination services. Our Community has long emphasized self-determination in our approach to federal services and programs. We took as a serious commitment President Nixon's statement that tribal operation of BIA programs does not mean a cut in federal funding. The decline in funding for this activity suggests that the current Administration does not take that pledge seriously. In particular, we note the failure to fully fund contract support so that the commitment to "grand-father" 1984 contract support levels has been met only to the extent of 92% of the pledge. We understand that the Bureau has requested only $7.6 million to meet its prior commitments for contract support against a need demonstrated by BIA internal documents of $9.7 million. We urge that the Congress provide funds sufficient to meet the Federal commitments on which we and other Indian tribes have relied in contracting with the United States.

The Bureau also proposed deep cuts in those programs which implement the federal trust responsibility as to Indian tribal lands on which we depend. We oppose the cut of $5.3 million in natural resources development (as well as to the transfer of these funds to the tribe/agency category). We oppose the $3.8 million cut in forest development. Our forest is our principal trust resource and we will continue to look to the federal government to assist us in developing it.

We also are concerned at the arbitrary limitation of $70 per hour on tribal legal fees paid from federal funds. We are unable to retain any attorneys of which we are aware (whether here in Alaska or elsewhere) at that rate. We understand that proposed BIA regulations apply this limit not only to funds for independent counsel when federal representation would create a conflict of interest but also for legal representation in connection with 638 contracts. In the case of the latter situation, this limit would probably create a situation violating section 106(h) of Public Law 93-638. We would have to use program funds or tribal funds (a penalty for 638 contracting) to pay for necessary legal advice. As to litigation costs, we question whether such an arbitrary limit which interferes with legal assistance needed by tribes in rights protection may not violate the trust responsibility so as to create the possibility of a federal civil liability to the affected tribe.

Indian Health Service

Our Community has for a number of years attempted to persuade the federal government to increase the funding level of the Annette Island Service Unit to the "$1,046,000 rock bottom operating budget" identified by the Indian Health Service. We are still some $400,000 short of that goal. In 1985 an IHS-financed study concluded that we should not attempt to contract the operation of the service unit at the present inadequate funding level. Nevertheless, our Council voted this week to proceed with contracting in FY 1987 and attempt to negotiate a reasonable level of funding. We have done this because of the serious deficiencies in personnel, facilities and management of the program presently operated by IHS.

At present, however, we do not know how to prepare a budget for a 638 contract application for FY 1987. The Administration has requested rescission of the IHS increase for FY 1986 and has proposed reductions in FY 1987 funding for clinics, dertal, mental health, maintenance and repair, contract care, preventive health (community health representative) and tribal management -- all programs on which the Annette Island Service Unit and our small community health service program depend. Meanwhile, IHS has proposed to reallocate resources in FY 1987 on principles which have not been explained to us. We hear, however, that the funding level of contracted programs would be reduced by "program income" (which can now be used under IHS 638 guidelines to provide additional services) and, also, by health programs from other sources. We do not know what all this means in dollars and cents. Thus far (although we have asked) IHS has not told us what the figures in its "reallocation computer" do to Metlakatla. We suspect, however, that IHS will again attempt to cut our present inadequate budget.

We urge, Mr. Chairman, that you prevent IHS from implementing an offset for alternative resources before it has got all the data together and consulted with all tribes so that the effects on health care for Indians and Alaska Native peoples can be fully understood.

We also protest the failure of IHS to account to us for Medicaid/Medicare reimbursements collected for services at the Annette Island Service Unit clinic which should -- under IHS guidelines -- be available to upgrade the facility. Although IHS has promised for several years to explain what happened to these funds, it never has. As a result, essential repairs to the clinic have been funded by the Community.

In addition, the Community has not so far been provided with a report on the priority ranking of its need for a new facility although IHS did an evaluation last year. We note that the Administration has requested no funding to address the need for hospital and health clinic construction in the Indian country. We respectfully request that you find out for us where we rank in the construction priority list and that funds be made available in an orderly and systematic manner to meet Indian and Alaska Native health facility needs.

We deeply appreciate the continued efforts which you and your Committee have made to fulfill the federal responsibility to the Indian people of this country and urge that you reject the severe reductions in federal programs for Indians and Alaska Natives proposed in this budget.

STATEMENT OF SONNY BILLIE, CHAIRMAN
MICCOSUKEE TRIBE OF INDIANS OF FLORIDA
TO THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
HOUSE COMMITTEE ON APPROPRIATIONS
REGARDING
THE FY87 INDIAN PROGRAMS BUDGET
March 7, 1986

Mr. Chairman and Members of the Subcommittee:

My name is Sonny Billie. As the Chairman of the Miccosukee Tribe of Indians of Florida, I offer the following views on behalf of the Tribe on certain portions of the Administration's FY87 budget request for the Bureau of Indian Affairs and Indian Health Service.

Bureau of Indian Affairs

The BIA has proposed two major changes in the existing Indian education program to which we must raise substantial objection. First, the Bureau proposes to cut $1.5 million from the school operations budget by changing its bilingual education policies and thereby reducing the number of students eligible for the bilingual program. I cannot overemphasize how important bilingual education funding has been to the educational program of the students in grades K-12 of the Miccosukee School. Many of our students come from homes where only the Miccosukee language is spoken; these students learn and use English only at school. Therefore, our school curriculum must be bilingual if these students are going to have a chance to progress. We urge the Committee to maintain close oversight of the Bureau's proposed policy changes and, equally important, to deny its request to cut the bilingual education program budget.

The Tribe also objects to the proposed transfer of Title IV education programs from the Department of Education to the Bureau of Indian Affairs. While the Administration suggests that this transfer is desirable so that the Bureau can have jurisdiction over all programs for BIA-funded schools, we fear that this intended bureaucratic convenience will result in disservice to Indian children from a program standpoint. We fear that the Title IV programs will lose their identity and individuality if merged with the Bureau's existing educational system. These programs were placed by Congress in the hands of the Department of Education for a very important reason: that Department is the federal government's education "specialist." Indian children have benefited from the expertise of that Department; they should not be deprived of this expertise merely to satisfy some vague notion that bureaucratic convenience will result. We urge the Congress to direct that these special cultural enrichment education programs to remain within the Department of Education.

We also urgently request the Subcommittee to rescind its FY86 appropriations directive that indirect costs on so-called "Chapter 1" programs funded by DOE be provided from DOE monies, only. By denying the use of BIA funds to pay the indirect costs of tribal contractors, Chapter 1 program dollars are severely reduced. This means, of course, that our students suffer. Furthermore, many tribes -- including the Miccosukee Tribe -- had already negotiated and entered into multi-year contracts with the Bureau which call for the payment of indirect costs, pursuant to a negotiated rate or lump sum, on Chapter 1 activities. The new directive violates our negotiated contract. We urge the Subcommittee to expressly authorize the BIA to use Bureau funds to pay indirect costs on Chapter 1 contracts.

We are shocked that both the Bureau and the Department of Housing and Urban Development (HUD) request no FY87 funding for construction of new Indian housing. In view of the admitted need for nearly 50,000 new homes for Indian families, the BIA's failure to request funds for this purpose is totally indefensible. The Miccosukee Tribe, many of whose members are among the housing needy, urgently request this panel to restore the BIA new housing budget at least to the FY86 level of $44.5 million.

We also noted with dismay that the Congress limited the payment of contract support funds to tribal organizations engaged in housing construction. This limitation precludes a tribe from applying its negotiated indirect cost rate to its housing improvement program (HIP), and thereby destroys the consistency of indirect cost treatment many tribal contractors had achieved by the application of a negotiated indirect cost rate to their contracts. Unnecessary and counterproductive paperwork burdens are created for both the tribal contractor and the Bureau. We request that the Subcommittee reverse this policy.

Despite Congress's attempts to rectify the situation last year, the Miccosukee law enforcement budget continues to be a source of concern. Last year, Congress recognized that our Tribe was receiving insufficient funding to meet the law enforcement needs on our Reservation which was expanded pursuant to the Florida Indian Land Claims Settlement Act of 1982. The appropriations conference committee ordered the Bureau to augment our law enforcement budget by $50,000. The Bureau has ignored this directive. It has failed to make the ordered addition to our FY86 funds and has failed to add the $50,000 augmentation to our base level for FY87.

To make matters worse, the Bureau actually reduced the base level of funding for Miccosukee's law enforcement. Although the BIA initially informed the Tribe that its law enforcement budget would be $431,000 (the amount set by the tribal band process), the budget eventually submitted to Congress requests only $414,200 for this purpose. Because our Reservation is in a high-crime area, we urgently request this Committee to fully fund our law enforcement needs and to insist that the Bureau follow Congress's order in its FY86 conference report.

The expanded size of our Reservation also requires greater real estate services and Congress, in FY85, appropriated an additional $98,000 for this purpose. While it appears as though the Bureau has not yet added this augmentation to our base, we have been advised by the BIA Office of Trust Responsibilities that the additional funding is included in this budget request and will finally be added to our base for the next fiscal year (FY88). We are somewhat puzzled, however, by the statement at page 173 of the BIA justification that the

Miccosukee real estate program "will experience a slight operating expense reduction." This statement is made in the BIA's discussion of the impact of Gramm-Rudman on the real estate services budget. We hope the express mention of only the Miccosukee program does not indicate that ours is the only one singled out for Gramm-Rudman reduction. We would appreciate any help the Subcommittee can provide in assuring that our Tribe is bearing no more than its pro-rata share of the Gramm-Rudman cut. We thank this Committee for its role in appropriating the additional funds we need for real estate services and would appreciate its assistance in assuring that this funding is indeed added to our base for subsequent years.

We are intrigued by the BIA's proposed new budget category titled "Tribe/Agency Operations," but express no opinion about it at this time. The Tribe intends to watch with interest the development and operation of this new activity to see if it achieves the purposes for which it was created without resulting in an unjustified reduction in funding for essential programs. We hope this panel will also carefully oversee the performance of this new budget activity.

Indian Health Service

We are alarmed to note that again this year the Administration seeks to eliminate the extremely valuable and effective Community Health Representatives Program. We urge Congress to stand fast in its opposition to this proposed elimination, to appropriate substantial funding for this program again this year and to insist that the Indian Health Service continue its operation.

We are also very disturbed to learn that the IHS proposes a $30 million cut in the contract health care budget. Since Miccosukee does not have its own IHS hospital, our members must seek hospital services at local facilities who provide care pursuant to contracts with the IHS. If we suffer significant reductions in the availability of contract care, we have no alternative source to meet our major health care needs. Few of our members qualify for Medicare/Medicaid, and even fewer can afford to carry their own private health insurance. We urgently request this Committee to fully fund the contract health care budget.

The Miccosukee Tribe is also disappointed IHS has not included a separate line item request for funding of administrative costs of tribal health contractors. We urge the Subcommittee to reaffirm its commitment to Indian self-determination by providing full funding for these costs in the FY87 budget.

Finally, we urge this panel to take swift action to reject the Administration's proposed $62 million rescission of FY86 appropriations for Indian health. It is inconceivable to us that less than two months after Congress enacted the Gramm-Rudman Deficit Reduction law with its protection of the FY86 IHS budget against cuts in excess of 1%, the Administration would seek Congressional approval for such a drastic reduction in the Indian health budget. We hope Congress will order IHS to continue funding Indian health programs at the levels set by Congress, decreased only by the 1% allowed by Gramm-Rudman.

Thank you for allowing the Miccosukee Tribe to submit comments on the Indian programs budget.

STATEMENT OF
THE KODIAK AREA NATIVE CORPORATION
BEFORE
THE SUBCOMMITTEE ON INTERIOR & RELATED AGENCIES
HOUSE APPROPRIATIONS COMMITTEE

March 7, 1986

The Kodiak Area Native Association (KANA) is a tribal organization representing seven Alaska Native villages in the Koniag region of Alaska. KANA operates various programs for Alaska Natives in the region, including the Johnson O'Malley program and community health services.

Bureau of Indian Affairs

We object strongly to the Bureau's proposal to reduce or eliminate funding for a variety of programs in Alaska. The Bureau's principal arguments for these reductions -- that improvements in the state's economy have made these programs unnecessary and that the state will assume the needs currently served by BIA programs -- are wholly unfounded. We understand that the Governor of Alaska has informed this Committee that the state cannot and will not assume the federal responsibility to Alaska Natives. Alaska Natives have the same, if not greater need, for such programs as adult education, child welfare, small tribes grants, and housing improvement, as do Indian tribes in other states.

Consider, for example, the need for the core management grants to small tribes programs in Alaska. Although this program was designed to aid small tribes perform governmental functions and to administer federal programs, in past years all of the funding for this program in Alaska went to village corporations established under the Alaska Native Claims Settlement Act due to their great administrative needs. Thus, despite the dire need of our village tribal governments for assistance in the area of bookkeeping and accounting, they were ineligible for core management grants. Instead, the BIA told us to apply for section 104 grants for this purpose. But now the Bureau is saying that the core management program is not needed in Alaska, and is also cutting funding for Alaska self-determination grants!

We oppose the transfer of the Johnson O'Malley program to the Department of Education. The Bureau has experience in administering this program, and has made significant reforms making the program more beneficial to Native children in the past fifteen years. The transfer strikes us as a diminution of the federal government's trust responsibility to Indian people. We also note that the Bureau had proposed eliminating this program entirely in past years, and wonder whether the "transfer" is not in reality the first stage in the elimination of the program. Finally, we oppose any legislative change which would administer what are now JO'M funds through the states rather than through the tribal governments.

The Alaska Natives in the Koniag region are depending on federal assistance through HUD and BIA to address our shortage of decent, safe housing. We oppose the drastic reduction in BIA housing improvement and the elimination of this program entirely in Alaska. We also urge that your Committee reconsider its mandate that 638 administrative costs not be paid from contract support for HIP contracts. This directive is in conflict with contractual commitments made to Indian tribes with respect to the "grand-fathering" of contract support and will reduce the dollars available to meet the housing need. We question how a voucher system such as that proposed by the Department of Housing and Urban Development can assist in providing housing for low-income residents in Alaska Native and Indian communities where no decent housing is presently available.

We especially urge the Committee to reject the cuts in child welfare grants. We need this program desperately for the benefit of many of our children here in Kodiak Island. This Indian Child Welfare Act was only recently enacted to address a long-standing need in Alaska Native communities. The program should not be abandoned when it has just begun to have an effect.

The failure to fully fund contract support, so that the commitment to "grand-father" 1984 contract support levels has been met only to the extent of 92% of contract support need, is contrary to the language and intent of P.L. 93-638 and to President Reagan's commitment to Indian self-determination. As a contractor under P.L. 93-638, we urge full funding for BIA contract support.

Indian Health Service

We object to various aspects of the Indian Health Service's budget request. Informed sources tell us that the Indian Health Service is unlikely to collect the amount of third party reimbursements (including Medicare/Medicaid and private insurances) that it anticipates, meaning that the $20 million cut in the hospitals and health clinics budget will be inadequate to maintain current services. The drastic reduction in contract care will also reduce services. Similarly, dental and mental health services will decline as they are funded at the FY 1986 level while health care costs rise. We strongly support the continuation of the community health representative (CHR) program, which the Administration has proposed eliminating for the sixth consecutive year. We also support continuation of the tribal management program which the Administration seeks to eliminate once again.

We strongly object to IHS's proposed reallocation plan for F.Y. 1987 in that the plan is to deduct from the funding level for meeting the health needs for Alaska Natives in the region based on nation-wide equitable considerations (health statistics, comparative costs, etc.) the amount of "program income" collected by KANA last year and "alternative resources" for health services.

Generally, IHS contracts and guidelines under P.L. 93-638 provide that "program income" may be retained and expended to provide health services to Indians and Alaska Natives within the scope of the contract program. State assistance does not duplicate IHS programs but sometimes provides a matching grant without which neither form of assistance would meet the health need being addressed. At present IHS lacks any reasonable methodology for accurately comparing such "alternative resources" which do, in fact, duplicate IHS support so that a reduction on the basis of such alternative resources can be equitably distributed. While the equitable distribution of IHS resources is a good idea, the Government should consult carefully with Indian tribes and Alaska Native tribal organizations to ensure that the plan is, indeed, "equitable."

We also urge that the Congress reject the proposal to rescind approximately $62 million in IHS funds already appropriated for F.Y. 1986. Apparently, the funds earmarked for 638 contract support (approximately $3 million) are included in the rescission request as well as other increases for hospitals and clinics. IHS in its testimony on the F.Y. 1986 request clearly stated a need for $12 million in contract support in order to provide an equitable adjustment for 638 health programs. The Administration's request to rescind the limited amount appropriated by the Congress cannot be reconciled with the official emphasis on encouraging tribal operation of health programs under P.L. 93-638.

KANA urges the Congress (1) promptly to deny the request to rescind IHS appropriations for F.Y. 1986 so that Indian and Alaska Native health programs will not be impaired by delayed allocations; (2) to instruct IHS to adhere to the past congressional mandates against offsetting program income against IHS assistance and to defer any plan to reallocate IHS funds based on so-called "alternative resources" until methods for developing and evaluating data on the extent to which such assistance actually duplicates assistance available from IHS can be put in place; and (3) to include funds in the F.Y. 1987 budget which will meet IHS estimates of the need for 638 contract administration funding.

We express our appreciation for the efforts of you and your Committee to fulfill the federal responsibility to the Indian people of this country and urge that you reject the severe reductions in federal programs for Indians proposed in this budget.

PREPARED STATEMENT ON THE PROPOSED FISCAL YEAR 1987 BUDGET OF THE INDIAN HEALTH SERVICE

presented by
Melvin R. Sampson, Chairman
National Indian Health Board
Friday, March 7, 1986

I am Mel Sampson. Chairman of the Yakima Nation of Washington. I also serve as Chairman of the Northwest Portland Area Indian Health Board and Chairman of the National Indian Health Board. My statement, which was developed in consultation with the National Indian Health Board and the National Congress of American Indians, addresses from a national perspective the President's proposed budget of $722 million for the Indian Health Service in fiscal year 1987. I appear before you today on behalf of these two national organizations to express our concern about the impact of the President's budget on the delivery of health services to Indian people. Our statement deals with three areas: (1) an overview of the President's request; (2) health services; and (3) health facilities.

I. OVERVIEW OF PRESIDENT'S FY 1987 BUDGET REQUEST FOR INDIAN HEALTH

The President's 1987 budget request represents a fundamental shift in federal Indian health policy. For the first time, this Administration is proposing major cuts in direct clinical health services for Indian people. Over the past six years, we have seen the Administration attempt to eliminate programs such as the Community Health Representatives, Urban Indian Health, Tribal Management, Facilities Construction, and Sanitation, always under the guise of "maintaining key inpatient and outpatient medical care services." However, the FY 1987 request, while again calling for the elimination of these programs, also seeks substantial reductions in direct medical care services.

The Administration's proposal for clinical services (hospitals, dental, mental health, alcoholism, and contract care) in 1987 is more than $47 million less than the amount provided by Congress (after sequestration) for the current fiscal year. This represents a 9.2 percent decrease in clinical funding at a time when medical costs are expected to increase 6-10 percent and the Indian population is projected to grow by at least 2 percent. Further, this net reduction for clinical services includes program decreases of $67.2 million that strike at the very core of the Indian health care delivery system: Hospitals and Clinics (program decrease of $28 million) and Contract Care (program decrease of $37.8 million). As noted in the Administration's own budget justification, these proposed budget reductions will require drastic cutbacks in hospital admissions, services for the delivery and care of newborns, ambulatory outpatient visits, emergency medical services, patient travel, dental care, and mental health services.

These reductions in services do not reflect the impact of the proposed elimination of the Community Health Representative program, which would place an additional burden on the existing clinical program in areas such as gerontological care, maternal and child care, home health services, and followup examinations. Nor do the Administration's projected service reductions take into consideration the additional $14-$17 million funding cut that will be required if the Balanced Budget and Emergency Deficit Control Act (P.L. 99-177) is not ruled unconstitutional.

Overall, the Administration's request of $722 million for Indian health services in FY 1987 is $85 million less than current funding levels, a 10.6 percent decrease. In addition, the request is $341 million below the $1,062,582,000 originally identified by

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IHS as necessary to provide for Indian health care needs in FY 1987. Using even the most conservative estimates of OMB-approved "built-in" mandatory increases (excluding the proposed program decreases and allowing for our projected cost-of-living/program increases), IHS would need approximately $860 million in FY 1987 (see attached chart) in order to continue the provision of most existing services.

In addition to scaling back key inpatient and outpatient medical services, the Administration is considering major changes in IHS eligibility requirements, resource allocation, and medical priorities. Of particular concern is the Department's proposed change in eligibility criteria, which reportedly will seek to establish a blood quantum requirement as a condition for receiving federally funded health care services. We are also concerned with the Administration's references to the reallocation of resources. While we agree that existing health resources inequities should be addressed, we believe it is imperative that tribes be involved in the planning, development and implementation of such activities. We appreciate the Committee's past efforts to address these issues, and we ask that you continue to monitor these important developments to insure that tribes have a meaningful voice in Indian health policy matters.

Finally, the Administration's request proposes to rescind $24,262,000 in Indian health services and $38,642,000 in health facilities for the current fiscal year. The "revised" FY 1986 budget categories used by the Administration assume adoption of the rescission request. The proposed OMB rescission would have a disasterous impact on the Indian health care delivery system, and we ask that the Committee take whatever action necessary to insure that the proposal is rejected and the funds in question are obligated in a timely manner.

II. IHS 1987 BUDGET: HEALTH SERVICES

By almost any measurable standard, Indian people continue to suffer from the poorest health care conditions of any minority in the country. The Administration's FY 1987 request does nothing to improve these conditions--it promises only to make them worse by forcing major reductions in most IHS and tribal direct care activities. We find these cuts totally unacceptable and inconsistent with the federal government's commitment to improving the health care status of Indian people. We ask that the Committee consider the following increases and/or changes in the Health Services budget:

A. HOSPITALS AND CLINICS: The Administration projects a program decrease of $12.6 million that will result in a reduction (from 1985 levels) of 5,923 hospital admissions (excluding newborns), 345 births, and 179,000 outpatient visits. However, the total "Hospitals and Clinics" program decrease is $28 million, which the Administration proposes to partially offset with $15.5 million from Medicare/Medicaid collections. We ask that the Committee reject these proposed program reductions and provide an increase of at least $15.5 million to cover costs identified by OMB as necessary for continued operation of Indian hospitals and clinics.

B. TRIBAL ADMINISTRATIVE COSTS: The Administration's justification states that "IHS continues to emphasize the implementation of the Indian Self Determination and Education Assistance Act by assisting tribes and tribal organizations in the assumption of the operation and management of hospital and health clinics activities." Yet, the Administration has proposed the elimination of one of the few Indian Self Determination initiatives we have seen in recent years: the $3 million line-item for tribal administrative (indirect) costs. We commend this Committee for including the indirect cost set-aside in the FY 1986 budget; we believe that, if administered properly, these monies will help facilitate tribal contracting of health programs. We ask that the Committee continue this approach and expand the tribal indirect cost line-item to provide $10 million in FY 1987.

C. THIRD PARTY COLLECTIONS: For the past five years the Administration has projected unrealistically high collections from Medicare/Medicaid, private insurers and other third party sources, and has then attempted to use these inflated figures to offset increases in budget requests. The request for FY 1987 continues this trend, with third party collections projected to increase to $76.6 million, including $69.1 million in Medicare/Medicaid reimbursements. In order to achieve these increases, the Administration is seeking new bill language in fiscal year 1987 authorizing IHS to "take whatever action it deems appropriate to collect reimbursements from third party payers for costs of care given to persons treated at an Indian Health Service facility." We are concerned that this authority might be used to improperly bill individual Indians in an effort to establish liability, or to charge those Indians that might have the financial means to pay for services. We request that this Committee carefully consider this language against other alternatives that might address existing barriers to third party collections and achieve the same goal of increased reimbursements.

D. ALCOHOLISM: The abuse of alcohol and drugs is the most serious health problem on Indian reservations today. We believe that the best approach for dealing with the devastating effects of alcoholism and drug abuse in Indian communities is to make a long-term commitment to prevention. We commend this Committee for its inclusion of a $1 million increase for tribal alcoholism prevention programs in its FY 1986 recommendations; unfortunately, these funds were subsequently deleted from the IHS budget. We ask that the Committee provide an increase of at least $1 million for alcoholism prevention efforts in FY 1987 in addition to the $1.88 million identified by the Administration for mandatory cost increases.

E. CONTRACT CARE: We strongly oppose the Administration's requested decrease for contract care. At present, the funds of nearly every IHS contract program are depleted by year's end, even with services limited to urgent and emergent care. Based on actual IHS experience, medical and surgical hospitalizations unit cost is projected to increase by 7 percent between FY 1986 and FY 1987. Ambulatory care is projected to increase at a rate of approximatly 10 percent in cost per visit in FY 1987. Dental service costs are expected to rise by 6 percent. Adding the proposed program decrease of $37.82 million to the impact of other inflationary costs over the past two years would result in the loss of one-third of the contract care program's buying power since FY 1984. We find the proposed reduction of health services to Indian people intolerable, and we urge the Committee to consider an increase of at least $9.95 million over the FY 1986 contract care budget to continue existing services.

F. COMMUNITY HEALTH REPRESENTATIVES: The Administration has obviously not heard the plea of its own Indian Health Service physicians and other medical professionals, some 170 of whom last year insisted that "closure of the Community Health Representative program would have a severe negative impact on our ability to provide a comprehensive health program for the Indian people." We urge the continued funding of the CHR program of at least the present $29.53 million (approximately $3.94 million is included in the IHS Hospital and Clinic activity to provide for the Emergency Medical Services portion of the CHR program), and an additional $5 million increase to provide a modest cost-of-living adjustment for these dedicated health care providers for the first time since 1980.

E. URBAN HEALTH: In its FY 1987 budget, the Administration proposes elimination of the urban health program, clinging to its discredited argument that Indians will be eligible for services funded with alternative resources, such as Medicare/Medicaid, community health centers, the National Health Service Corps, block grants to states, and other state and local funding agencies. As testimony by urban Indian health directors has, year after year, clearly demonstrated, this has not been the case. We strongly support the Indian health projects in their request for $10.75 million to allow program continuation in FY 1987.

F. TRIBAL MANAGEMENT: Despite its claim that IHS will strengthen "Indian self determination activities" in FY 1987, the Administration has once again failed to request funding for Tribal Management activities. Elimination of this program will lead to the curtailment of technical assistance, planning, and other management-related activities currently provided under this authority, and it will further frustrate tribal efforts to contract under P.L. 93-638. We oppose the Administration's recommendation to end Tribal Management activities, and we request that the Committee support expanded funding of $6 million in order to more realistically address tribal needs in this area.

III. IHS FY 1987 BUDGET: HEALTH FACILITIES

We oppose the Administration's proposed merger of the "Indian Health Facilities" and "Health Services" budgets, which we believe would eliminate the flexibility necessary for administering the facilities construction account. We ask that the Committee support the continuation of a separate authority for IHS construction activities (including Sanitation Facilities).

We are also deeply disturbed over the Administration's continued unwillingness to obligate planning and construction monies appropriated by Congress, as exemplified by the Administration's recently reported refusal to comply with Congress' directive to construct the 35-bed hospital at Rosebud. For the past several years, this Committee has followed the hospital and outpatient clinic priority lists in preparing its recommendations for new and replacement facilities. This system, although plagued by constant foot-dragging and planning disagreements within the Department, has provided a rational approach to the construction of facilities on Indian reservations. We ask that the Committee continue to monitor IHS' and the Department's performance in the expenditure of these funds in order to insure that construction projects are completed more efficiently.

In accordance with the IHS facilities' priority lists, we request that the Committee consider the following projects for FY 1987:

HOSPITALS: For completion of construction and purchase of equipment at Rosebud, S.D., Pine Ridge, S.D., and Sacaton, Ariz.; and for planning of replacement hospitals in Anchorage, Alaska, Ft. Defiance, Arizona, and Crow, Montana. MODERNIZATION AND REPAIR: For planning of hospital modernization at Shiprock, N.M. and Harlem, Mont.; and for addressing the backlog of $28 million in miscellaneous repairs and energy conservation retrofit projects at Indian health facilities OUTPATIENT CLINICS: For construction of the clinics at Toppenish, Wash. and Wagner, S.D., and planning/design of clinics at Parker, Arizona; Ft. Hall, Idaho; and Sallisaw, Oklahoma PERSONNEL QUARTERS: For design and construction of quarters at Sacaton, Arizona; Kyle, S.D.; Ft. Thompson, S.D.; and Wolf Point, Mont.

SANITATION FACILITIES: Contrary to the case made by the Administration, there are still thousands of Indian homes that lack adequate water and sewage facilities. The unmet need for water and sanitation facilities in existing Indian homes has been estimated to exceed $500 million. The proposed Indian Health Care Amendments would establish an initiative to eliminate this backlog within 10 years. We ask that $31 million be provided in FY 1987 to begin this important multi-year program to provide water and sanitation facilities in 3,600 existing Indian homes, and to also provide for emergency projects, equipment and training. In addition, we ask that $24 million be provided for water and sewer hook-ups in new non-HUD Indian homes planned for construction in FY 1987.

This concludes our statement. I thank you for the opportunity to present my views, and I would be pleased to answer any questions you might have about my testimony.

INDIAN HEALTH SERVICE
FY 1987 Budget

($'s in thousands)

Mandatory Increases/Program Restoration

	FY 1986 Appropriation after Sequestering	FY 1987 Built-in Mandatory Increases	FY 1987 Requested Increases *	FY 1987 Total Budget	Percent Change
HEALTH SERVICES					
Clinical:					
Hospital & Clinics	429.007	15.548	10.000[1]	454.555	6.0%
Dental	25.620	1.079		26.699	4.2%
Mental Health	11.334	468		11.802	4.1%
Alcoholism	24.381	1.882	1.000[2]	27.263	11.8%
Maintenance & Repair	8.535	490		9.025	5.7%
Contract Care	168.340	9.952		178.292	5.9%
Preventive:					
Sanitation	20.596	738		21.334	3.6%
Public Health Nursing	12.317	534		12.851	4.3%
Health Education	3.578	164		3.742	4.6%
Immunization	2.678	(2.283)		395	-85.3%
Community Health Reps	25.585		5.000[3]	30.585	19.5%
Urban	9,644		1.106[4]	10.750	11.5%
Manpower	6.395			6.395	0.0%
Tribal Management	1.968		4,032[5]	6.000	204.9%
Direct Operations	57.787	1.070	____	58.857	1.9%
TOTAL HEALTH SERVICES	807.765	29.642	21.138	858.545	6.3%

NIHB Requested Increases:
1) Program increase for administrative costs of tribal contracts
2) Increase for tribal alcoholism prevention programs
3) Cost of living increase for Community Health Representatives
4) Cost of living increase for Urban Indian Health
5) Program enhancement for Tribal Management

NIHB: 3/86

INDIANS
INTO
MEDICINE

INMED Program
School of Medicine
University of North Dakota
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Advisory Board
delegates from
22 reservations
in five states

Blackfeet (MT)
Cheyenne River (SD)
Crow (MT)
Crow Creek (SD)
Flathead (MT)
Fort Belknap (MT)
Fort Berthold (ND)
Fort Peck (MT)
Fort Totten (ND)
Lake Traverse (ND/SD)
Lower Brule (SD)
Northern Cheyenne (MT)
Omaha (NE)
Pine Ridge (SD)
Rocky Boys (MT)
Rosebud (SD)
Santee (SD/NE)
Standing Rock (ND/SD)
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Yankton (SD)

Testimony
March 7, 1986

To: Appropriations Committee
United States House of Representatives
Honorable Sidney Yates, Chairman

Submitted By: Allen White Lightning
Standing Rock Sioux Tribal Council
Representing INMED Board of Directors

This is a request for your support of the Indians Into Medicine program at the University of North Dakota. INMED has been in operation since 1973. On behalf of the twenty-three tribes represented, thank you for your continued support.

INMED faces a funding crisis this year, triggered by a 1.1% reduction in the program's Indian Health Service funding, and the total loss of previously available funding for an INMED director's salary. Since the loss of INMED's former director's salary through Aberdeen Area IHS, 80% of the salary, or $35,000 including benefits, must be absorbed by INMED's 1986 allocation through the Indian Health Care Improvement Act Title I, section 102. In effect, INMED's IHS funding is 13% less than last year.

The former director was a National Health Service Corps physician paid through the Aberdeen Area IHS. INMED staff and Board members have been told that the director's salary could be rechanneled, but this has not happened.

There are two major concerns I will bring before your committee now. First, we question why the former INMED director's salary through the IHS Aberdeen Area cannot be utilized to fund the incoming director's salary. The program's former director left in October, 1985, and IHS officials were aware of her plans to leave since

March, 1985. Why were there no efforts to keep this funding in INMED? Secondly, we question why INMED received a 1.1% cut in funding for fiscal year 1986-87, when IHS's Master of Public Health programs received only a .9% cut in funding.

To compensate for the loss of the director's salary, and for the 1.1% IHS budget reduction (in effect, a total cut of 13%), INMED must this year greatly reduce several IHS categories. The program's IHS Summer Institute enrichment session for Indian junior high and high school level students will only include 20 students rather than 35; INMED's board of advisors representing 23 tribal governments will not be able to hold any IHS-funded meetings this year; and vital recruitment travel will be severely limited. It is unfortunate that a program as effective as INMED is being curtailed.

As the attached fact sheet indicates, INMED has been a highly successful program focusing specifically on the legislatures' intent in Section I of the Indian Health Care Improvement Act, that is, providing Indian health professionals to meet Indian health needs.

INMED graduated eight medical doctors and four allied health professionals in 1984-85. Association of American Medical Colleges statistics indicate there were only 65 Indian MD graduates nationally last year.

INMED is making an impact, and the program continues to improve. In the past year, the INMED students' overall grade point average has increased by nearly half a point.

On behalf of the INMED students, staff and reservation-based Board, thank you for this opportunity to address these issues vital to the continuation of the INMED program. Thank you also for your support of the Indian Health Care Improvement Act and academic opportunity for Indian students.

STATEMENT BY RONALD L. BURGESS
CHAIRMAN, COMANCHE TRIBE OF OKLAHOMA, BEFORE
THE HOUSE APPROPRIATIONS INTERIOR SUBCOMMITTEE ON
FISCAL YEAR 1987, FRIDAY, MARCH 7, 1986

Mr. Chairman and Members of the Committee:

I speak to you as the Chairman of the Comanche Business Committee which governs the Comanche Tribe comprised of 8,708 enrolled Tribal members, located in the southwest corner of Oklahoma.

My testimony will address the Administration's proposed legislation to combine Title IV-A (Education Department) and Johnson O'Malley funds (Interior Department - BIA) of 70.3 million dollars and block grant these funds through the states to the Local Education Agencies (LEA's).

In Oklahoma the Title IV-A programs bring in $10,368,665 yearly and the Johnson O'Malley Programs bring in $2,385,609 yearly for supplemental Indian Education Programs.

The Anadarko Area Office currently administers JOM contracts to 20 public schools, 9 tribal contractors and 20 Incorporated Parent Committees. Of these 49 contracts, there are 12 schools that serve predominately Comanche students, eligible for JOM participation.

The administration's proposed legislation would directly effect the administration of these monies. We have already undergone a 4.3% reduction by means of Gramm-Rudman-Hollings and if full sequestration goes into effect by October 1, budget cuts may total 28% for all Indian Education.

On behalf of the Comanche Business Committee and Comanche Indian Parents, I offer the following remarks opposing the combining of Title IV-A and JOM funds and direct funding to the states in a state formula program (Block Grant) for administering:

- There is no duplication of services and each program has a distinct purpose in serving similar but different constituencies. As stated in a report by the U.S. General Accounting Office, June 15, 1981, local coordination of federally sponsored Indian education projects prevents duplication of efforts.

- The administration of Title IV/JOM under proposed state authority does not provide for contracting by Tribes or Indian Organizations. Current Title IV-A regulations state that LEA participation in the program is voluntary; therefore, if the LEA chooses not to participate, Title IV-A services would not be available to Indian students, even though Indian parents and Tribes in the community believe the services are needed. An example is the Lawton Public School District in Oklahoma, located 8 miles south of the Comanche Tribal Complex, which chooses not to participate in the program; the end result is, there are 800-1000 Indian students without services to meet their "specialized and unique educational and culturally related academic needs."

- The proposed legislation eliminates Title IV-Part B funds completely (zero budget for FY'87). Part B provides for Tribes and Indian Organizations to develop and implement innovative projects that can serve as models for all Indian education. This again will give less authority for Tribes to be involved in the education of their children. I believe a study of Part B is a prerequisite to any justification for elimination. This study will show the positive strides made by Tribes and Indian Organizations.

- The proposed legislation deviates from the intent of P.L. 93-638, the Indian Self-Determination and Education Assistance Act of 1975 by eliminating the Tribal control of federal Indian programs. P.L. 93-638 is a commitment by Congress to the federal responsibility for and assistance to the education of Indian children. Further, the Snyder Act of 1921 provides for the Bureau of Indian Affairs to supervise monies as appropriated from Congress to establish such educational programs to benefit Indians.

As Chairman of the Comanche Tribe, I am asking members of this subcommittee to reaffirm the acceptance by the Federal Government of a federal responsibility to Indian education by:

- Seeking an exempt status to protect all Indian education programs from the proposed Gramm-Rudman-Hollings budget cuts and maintaining the whole Indian education appropriations at the FY'86 levels.

- Opposing the legislative changes to Title IV and Bureau of Indian Affairs education programs and keep them unaltered.

Thank you very much for this opportunity to present testimony.

Ronald Burgess, Chairman
Comanche Tribe of Oklahoma

Association on American Indian Affairs, Inc.

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STATEMENT OF

THE ASSOCIATION ON AMERICAN INDIAN AFFAIRS, INC.

SUBMITTED BY

DR. IDRIAN N. RESNICK, EXECUTIVE DIRECTOR
JACK F. TROPE, STAFF ATTORNEY
MICKEY REVENAUGH, PROGRAM ASSISTANT

TO THE

SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
HOUSE APPROPRIATIONS COMMITTEE

MARCH 14, 1986

The Association on American Indian Affairs, Inc., is a national citizens' organization headquartered in New York City with 50,000 members and contributors, both Indian and non-Indian. It is dedicated to the preservation and expansion of American Indian and Alaska Native rights. The policies and programs of the Association are formulated by a Board of Directors, the majority of whom are American Indian and Alaska Native.

We are submitting this statement because we believe the FY 1987 budget that is before this subcommittee reflects a basic lack of understanding by the Administration as to the obligation of the United States Government to its people. The goal of balancing the federal budget should not serve as a vehicle to deprive people of adequate resources to meet their basic health, education and welfare needs.

In the case of Indian people, the enduring nature of the government's obligation could not be stronger. In return for virtually the entire land base of this country, Indian tribes received from the Federal Government repeated promises of education, health care, and other services for their members.

Even at maximum funding levels, the appropriations for Indian programs have never been sufficient to meet the many needs of Indian people. To propose cuts of already inadequate funding levels -- in some cases, such as the Indian health budget, cuts so drastic as to eliminate entire programs -- bespeaks a lack of understanding of the needs of Indian people and the concomitant obligation of the Federal Government.

The misguided philosophy inherent in this budget is perhaps best illustrated by its treatment of Alaska Natives. Cuts of $12.4 million have been proposed for BIA programs serving Alaska Natives (36% of the total BIA budget for Alaska programs). These cuts would eliminate a variety of programs currently provided by the Bureau to Alaska Natives, such as agricultural extension, adult education, Indian child welfare, small tribes grants, road maintenance, minerals and mining, water resources, and facilities management, and would result in substantial reductions in other programs, such as higher education scholarships; this, despite the overwhelming need that continues to exist among Alaska Natives for these services.

The Alaska cuts are based on a number of mistaken suppositions.

First, the facile conclusion that the previous levels of aid are unnecessary is simplistic and untrue. As is the case with other Native Americans, the need of Alaska Natives for these supplemental services remains great. In fact, most Alaska Natives continue to live, at least in part, a subsistence lifestyle in extreme rural isolation.

Second, the state of Alaska, especially given decreasing oil revenues, is neither able nor willing to supply all of these services -- a fact that the Governor of Alaska recently made clear in a letter to Congress.

Third, the decision to defund reflects a complete lack of understanding of the moral, legal and historical underpinnings of the Federal Government-Alaska Native relationship. These cuts are the harbinger of termination. Indeed, language in the budget and Administration press releases which attempts to justify the Alaska cuts all but admits that this is so. It implies that the Federal Government has no special responsibility in regard to Alaska Natives -- that Alaska Natives must rely on the State to provide essential services. The Administration asserts that because "of the implementation of the Alaska Native Claims Settlement Act," and the fact that there are no "tribal treaty rights to be protected" nor "large blocks of trust lands ...to...manage...," federal financial support for Alaska Natives should be drastically reduced. The use of this logic to cut programs for Alaska Natives transforms the Alaska Native Claims Settlement Act (ANCSA) into a sword to be used against those it was presumably intended to benefit. ANCSA was a real estate transaction affirming the special status of Alaska Natives, not termination legislation; the Federal Government's trust responsibilities to Alaska Natives remain intact. The Alaska cuts and the language which purports to justify them must be rejected by Congress. That the Administration would even attempt such cuts based on such a rationale illustrates its failure to understand -- or refusal to accept -- the nature of the Federal obligation to American Indians and Alaska Natives.

Indeed, the Administration's budget not only disregards historical and present realities and obligations, but also contradicts the stated policy of the President and Congress. The President's policy statement and the report of the President's Commission on Reservation Economies emphasize the need to promote self-determination and economic self-sufficiency on reservations. Yet effective Indian self-government and economic self-sufficiency will not occur overnight when most reservations are resource-poor, with large numbers of people living below the poverty level and unemployment rates of up to 85%. The vast majority of reservation economies are currently incapable of generating levels of employment that engage more than 50% of their labor forces, let alone tax bases for financing social services. Indeed, the President's Commission pointed to a need for long-term restructuring, to a process that involves the understanding and reordering of many complex relationships. While we do not endorse many of the basic recommendations of that Commission, we agree that the problems facing reservations cannot be solved with simplistic approaches. Certainly, health and education are areas which are both fundamental to the economic well-being of reservations and central to the aspirations of the tribes. To take funds out of these programs is to decrease the abilities of the tribes to move toward any form of successful economic development and self-sufficiency. Short-term budgetary savings will lead to long-term increases in dependency and the financial resources needed to meet even basic needs for Native Americans. For the stated goals of the President and Congress to be attained, there must be adequate health and sanitation facilities, an educated and healthy workforce and a strong and functioning tribal government with adequate resources. At present, Indian tribes must look to the Federal Government to supply a large portion of the resources needed to meet these objectives. This budget falls far short of meeting those needs.

The cuts proposed for the Indian Health Service are particularly misdirected.

The Administration once again returns to the misguided notion that Indian health needs are akin to those of middle-class suburbanites. As a glaring example, it proposes elimination of the Community Health Representatives and Emergency Medical Services programs -- the only programs capable of reaching out to respond to the needs of far-flung communities, and absolutely essential if the many Indians living in isolated rural areas are to effectively make use of the Indian Health Service. Eliminating these programs' funds with a stroke of the budgetary pen will destroy an essential part of the health delivery system on reservations.

In its treatment of health services as elsewhere, this budget is wholly inconsistent with the President's Indian policy, the central component of which is the strengthening of tribal self-government and self-determination. By eliminating tribal management funds which assist tribes in contracting and operating health programs under the Indian Self-Determination and Education Assistance Act, the budget request would effectively prevent tribes from exercising responsibility for their own health care.

The Administration's budget would also severely affect efforts to improve inadequate health facilities. The Administration's budget eliminates all construction and planning funds for new medical facilities in spite of the fact that many Indian hospitals and clinics are obsolete and some are themselves outright health hazards for those forced to seek care in them. The budget also proposes elimination of sanitation construction funds, betraying the Administration's lack of understanding of the link between poor sanitation and preventable disease in American Indian and Alaska Native communities, where 20% of the homes lack sanitation facilities and safe water.

The proposed education budget is similarly flawed.

The Administration's Fiscal Year 1987 budget for Indian education has at its core a highly objectionable restructuring of programs and shifting of responsibilities between the Bureau of Indian Affairs and the Department of Education. The budget proposes the transfer of the entire Johnson-O'Malley program-- whose adjusted 1986 appropriation was over $22 million -- from the BIA to the Department of Education, where it would be consolidated with Title IV-A of the Indian Education Act -- $48 million after adjustments in 1986 -- into a single, $70 million block grant program to the states to meet the special needs of Indian students in public school systems.

The transfer of Johnson-O'Malley and its consolidation with Title IV-A programs into a very different Indian Education Act was proposed without consultation with Indian tribes or Indian education organizations. Had they or the public school districts which currently receive funding under both programs been asked, all might have called into question the Department of Education's understanding of the special relationship between Indian tribes and the Federal Government and especially the Department's insertion of state education agencies as intermediaries. Both Johnson-O'Malley and Title IV-A as they are currently administered require the active participation of Indian parents and tribal communities in use of these funds to meet locally-defined needs of Indian children; the creation of these local committees by statute during the 1970s was an important reform in the field of Indian education, a recognition of the rightful role of parents and tribes in shaping the schooling of their children. State-administered programs reaching the same schools in the same communities have historically been very weak in their provisions for Indian tribal and parental control. Despite assurances that forthcoming legislation will address this issue, Indian tribes and parents are well justified in regarding with apprehension the ability of state education agencies to respond to their needs.

The damage threatened by the Fiscal Year 1987 budget is more direct at the other end of the education spectrum, in the area of fellowships for Indian graduate students. Here, also, a BIA-Department of Education shift is proposed, resulting in a consolidated $2 million fellowship program under the BIA-- and a combined reduction in funds of more than 30%. The inescapable message to Indian people is that their individual and tribal aspirations are of little value. Even aside from its dampening effect on students themselves, this message casts a shadow over tribal hopes for self-sufficiency: without highly-skilled, professionally-trained tribal members, Indian self-determination will remain a half-fulfilled promise, carried out primarily by non-Indian technicians.

We want to underscore our opposition to the modification of Indian policy through budgetary channels. While there are certainly some Indian programs that are inefficient and institutions that need to be streamlined and restructured -- and while it may be true that some money is wasted -- cutting funds as a first step will not produce the desired results. In fact, there is a high likelihood that it will retard the ability of tribes and institutions to do the necessary streamlining, rethinking and rebuilding.

There are many other proposals of the Administration that are objectionable, including severe cuts in urban Indian programs and in non-Indian programs -- such as the Legal Services Corporation -- which also provide essential reservation services. Due to space limitations, we cannot enumerate all such programs that would be affected. It is enough to say that the Administration's proposed budget in its entirety is inadequate to meet the needs of Indian people and contrary to the stated Indian policies of both the President and Congress. We ask the Congress to provide sufficient funds for those programs that are essential to the well-being and further development of the Indian people. Thank you for this opportunity to submit testimony to this committee.

STATEMENT OF
S. E. REYNOLDS
SECRETARY, NEW MEXICO INTERSTATE STREAM COMMISSION
TO THE SUBCOMMITTEE FOR INTERIOR AND RELATED AGENCIES OF THE UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON APPROPRIATIONS

March 14, 1986

SUMMARY

This statement is submitted in support of appropriations to the Bureau of Indian Affairs (BIA) to continue construction and operation and maintenance of the Navajo Indian Irrigation Project (NIIP) which, in recognition of the obligation of the United States to the Navajo Tribe, was authorized in 1962. The project, located in the northwestern corner of New Mexico, will furnish water for the irrigation of 110,630 acres of land and will provide a higher standard of living for 33,000 Navajos.

Previous problems concerning water delivery capacity, productive acreage and on-farm management have apparently been resolved. Therefore, construction of the project works should now proceed expeditiously and efficiently.

After 24 years the project is only 44% complete. An appropriation of at least $10.1 million can be effectively utilized in the fiscal year (FY) 1987 BIA appropriation to award contracts in FY 87 to complete Block 6 facilities and to prepare designs for facilities for Blocks 7 and 8. Block 8 facilities include the Gallegos Pumping Plant and the Burham Lateral. I urge that at least $10.1 million in construction funds be included in the FY 1987 BIA appropriation for the project.

The FY 1986 budget for BIA includes $4.4 million for operation and maintenance of the project facilities. I fully support an appropriation of this amount in the FY 1987 BIA appropriation.

STATEMENT

The 1868 Treaty between the United States of America and the Navajo Tribe of Indians provides that any Navajo being the head of a family and desiring to commence farming shall have the privilege to select 160 acres in the Navajo Reservation to be held in the exclusive possession of the person selecting it and of his family so long as he or they continue to cultivate it. The treaty further provides that any person over 18 years of age not being the head of a family may in a like manner select and hold 80 acres within the reservation for purposes of cultivation. The Treaty further provides that the Navajo head of a family is entitled to receive seeds and agricultural implements to help him get started in his farm enterprise. Even a casual examination of precipitation records shows that irrigation is essential if these Treaty provisions are to be given effect of much significance.

The law which authorized the Colorado River Storage Project in 1956, Public Law 84-485, explicitly recognized that assistance to the Navajo Tribe in the form of an Indian irrigation project is the responsibility of the entire nation. The Navajo Indian Irrigation Project was authorized in 1962 by Public Law 87-483 to meet the obligation implied in the 1868 Treaty and explicitly recognized by the Colorado River Storage Project Act.

The desperate needs of the Navajo Tribe have been the subject of much concern to the people of the United States. Construction of the Navajo Indian Irrigation Project could do much to alleviate the grinding poverty suffered by the 150,000 people of the nation's largest Indian tribe.

When completed, the Navajo Indian Irrigation Project will have a profound effect on the economic and social life of the Navajo Tribe. Not only will many Navajo people be employed directly in the farming activities, there will also be substantial opportunities for employment of additional Navajo people in the agri-business and service and supply activities associated with the farming operation. The workers and their families will require housing, schools, police and fire protection, and all the services connected with daily living. This will furnish employment for many others.

Funds to initiate construction of the project were first appropriated for FY 1963 and the construction schedule called for the delivery of the first water on the lands in 1970. With the initial delivery of water to the first 10,000 acres delayed until 1976, the most realistic goal now is the addition of one-half to a full block of about 10,000 acres each year until the project is completed. Facilities to serve Blocks 1 through 5 have been completed and irrigation water was provided all five blocks in the 1985 crop year. Facilities have been completed to serve only about one-half of the acreage in Block 6.

No additional major construction was scheduled for FY 1983 and FY 1984 because of a difference between the Bureau of Reclamation and the Bureau of Indian Affairs on the appropriate delivery capacity of the works and the amount of productive acreage to be developed, and because of the Office of Management and Budget's concern about the capability of the BIA and the Navajo Tribe to subjugate and properly manage additional acreage at this time. The problem of water delivery capacity and increased productive acreage has been resolved by written agreement between the Interior Assistant Secretaries for Land and Water Resources and Indian Affairs. The problem of on-farm management has been studied by a management task force appointed by BIA. The task force report was submitted to the appointing official in December 1981. In April 1982 a task force appointed by the Assistant Secretaries for Land and Water Resources and Indian Affairs reported and a supplemental report was submitted in December 1982. Both reports were positive. Therefore, construction of the project works should now proceed expeditiously and efficiently.

After 24 years the project is only 44% complete. An appropriation of $10.1 million can be effectively utilized in the FY 1987 BIA appropriation to award contracts in FY 88 to complete Block 6 facilities and to prepare designs for facilities for Blocks 7 and 8. Block 8 facilities include the Gallegos Pumping Plant and the Burnham Lateral. I urge that at least $10.1 million in construction funds be included in the FY 1987 BIA appropriation.

The FY 1986 budget for BIA includes $4.4 million for operation and maintenance of the project facilities. I fully support an appropriation of this amount in the FY 1987 budget.

The opportunity to present my views on appropriations to the Bureau of Indian Affairs for the urgently needed Navajo Indian Irrigation Project is sincerely appreciated.

STATEMENT OF GERALD R. ZIMMERMAN, EXECUTIVE DIRECTOR
UPPER COLORADO RIVER COMMISSION
before the
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
of the
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

March 14, 1986

Summary of Specific Action Requested

Appropriation of such funds to the Bureau of Indian Affairs as will provide for the orderly development of the Navajo Indian Irrigation Project.

The Upper Colorado River Commission is an interstate administrative agency created by the Upper Colorado River Basin Compact of 1948. The Commission represents the States of Colorado, New Mexico, Utah, and Wyoming in matters pertaining to the development, utilization, and conservation of water resources of the Upper Colorado River Basin.

Mr. Chairman, the Commission appreciates the opportunity to support the appropriation of funds to continue the construction of the Navajo Indian Irrigation Project during Fiscal Year 1987.

The Navajo Indian Irrigation Project is in Rio Arriba and San Juan counties in northwestern New Mexico. It will provide for the irrigation of 110,630 acres of land. A higher standard of living will be possible for more than 33,000 Navajo Indians.

This project is about 44 percent completed in terms of cost. The delay in appropriating funds for the completion of the Navajo Indian Irrigation Project defers realization of the full benefits of the funds already expended on this project and may unnecessarily increase the total cost for this project.

The statement by Mr. S. E. Reynolds, Secretary of the New Mexico Interstate Stream Commission, fully outlines the need and background basis for the continued development of the Navajo Indian Irrigation Project. The Upper Colorado River Commission supports an appropriation of $10.1 million in Fiscal Year 1987 to the Bureau of Indian Affairs to complete construction of the irrigation facilities contained in Block 6 of the project and to prepare the designs for the irrigation facilities to be contained in Blocks 7 and 8. Currently Block 6 is about one-half complete; the requested funding level for

Fiscal Year 1987 will allow for completion of the irrigation facilities in that Block. The Commission further supports the appropriation of $4.4 million in Fiscal Year 1987 to the Bureau of Indian Affairs for the operation and maintenance of this project.

On behalf of the Upper Colorado River Commission, I wish to thank you for granting the Commission the opportunity to express its support for the appropriation of funds for the continuing construction of the Navajo Indian participating irrigation project under the Colorado River Storage Project Act of 1956 and the Navajo Indian Irrigation and San Juan-Chama Projects Act of 1962, as amended. In order to realize the full regional and national benefits of this project, the Commission urges you to provide the necessary funding to enable the timely completion of the Navajo Indian Irrigation Project.

The Oklahoma Indian Child Welfare Association is an organization made up of twenty-seven tribal and urban Indian Child Welfare programs representing over 50,000 Indian children. The Oklahoma Indian Child Welfare Association has been active since 1981 for the purpose of strengthening Indian families and aiding in the implementation of the Indian Child Welfare Act in Oklahoma.

We are here today to request that you consider the exemption of Indian Child Welfare Title II funds from the Gramm-Rudman budget-cutting process. We make this request with the knowledge that our tribes, like other facets of society must accept some funding cutbacks. We request this exemption for the following reasons:

First of all, survival and "safety net" programs for nOn-Indian American citizens have been deemed protected programs and therefore exempted. Since Indian Child Welfare programs are also defined as life supporting programs, we feel that they, too, should be exempted.

The philosophy of keeping children close to their home and environment has proven successful in helping troubled children. Local Indian Child Welfare programs keep troubled Indian children close to their cultural environment, family, or extended family. This strengthens their identity, gives nurturing to the child, and fosters permanence in a child's life. The loss of several local programs will force hundreds of children away from their parents, extended family members and tribal members. This sense of loss will be devastating to Indian children. Not only is this an acute loss to children, but child case loads for the State of Oklahoma will rise.

By cutting Indian Child Welfare funding, the prevention aspect if these programs will also be cut. The reduced funding will result in severe cutbacks in all programs and the total elimination of some. This will mean that only the most serious of crises in a family will result in some form of intervention. Any semblence of early detection and prevention of family breakup will fall by the wayside while crisis services become the standard operating mode in Indian Child Welfare programs.

Oklahoma Indian tribes and organizations have responded to the Indian Child Welfare Act in a very positive manner. During the short period of five years of funding, the Indian Child Welfare Act has been implemented among Oklahoma programs through the development of tribal foster care programs that work cooperatively with the Oklahoma State Dept. of Human Services, the training and staffing of Children's Courts and Court Personnel, the development of parenting education resources for Indian parents, an overall reduction in the numbers of Indian children in state custody and in many, many other significant ways.

A third reason we are requesting this committee consider exempting Title II funds from the budget-cutting process is due to not having any other adequate system prepared to accept the case load these funds represent. The very thesis of the Indian Child Welfare Act was to allow tribal governments to have the ability to assert more influence in protecting their tribal children and families. Strong progress has been made in this area by transferring protection responsibilities from state governments to individual tribes. Child protection decision-making, treatment of Indian families and foster care arrangements all represent responsibilities which have effectively been transferred from state government to Indian tribes. A major cut at this time would virtually handicap, if not eliminate a protective system for children where no other adequate system would remain.

In summary, the Oklahoma Indian Child Welfare Association takes the position that ICW Title II funds should be exempted from Gramm-Rudman Budget cuts.

STATEMENT OF DONALD C. HATCH, CHAIRMAN
THE TULALIP TRIBES OF WASHINGTON STATE
HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
March 14, 1986

We have reviewed the President's budget request for FY1987 and offer the following recommendations with respect to the appropriations for the Bureau of Indian Affairs, with specific reference to programs of The Tulalip Tribes, and the Indian Health Service.

Bureau of Indian Affairs

Tulalip Fisheries Management and Tribal Hatchery A funding level of $1,009,800. Our fisheries resource is of prime importance in our struggle for self-sufficiency. Our goal is to manage our native and hatchery runs to the maximum benefit of all users.

Tulalip Forestry Development A funding level of $148,590 to continue our development program and to insure adequate protection for the preservation of this resource and its environment. The Tribes consider the funding level requested to be vital to the survival and health of our forestry resources.

Tulalip Johnson-O'Malley Program A funding level of $39,113. This is a community-controlled program which supports and enhances federal and tribal educational efforts and already has served to improve the quality of education for our students.

Indian Child Welfare Act A level of funding for the Tribes of $46,400. This program insures the placement of children in stable on-reservation homes and affords them an opportunity for healthy physical and psychological development. More importantly, this program enables our tribe to return displaced children to their rightful parents.

Tulalip Core Management A funding level of $38,415 to continue to develop our governmental infrastructure to enhance our efforts toward self-determination.

Housing Improvement Program A funding level for the Tribes of $75,155 to support a program more in line with our housing needs than past levels of funding have allowed.

Tulalip Government Development A funding level of $31,000 for our on-going program to develop and update tribal operational capabilities to deal with and regulate affairs more efficiently and to serve tribal members and communities more adequately.

Indian Health Service

The Tulalip Tribes recommend that the subcommittee withhold its approval of the President's proposed rescission $73,800,000 of FY1986 IHS funds and that it support a level of funding for IHS in FY1987 close to the FY1986 appropriation adjusted only for the Gramm-Rudman reduction of 2 per cent.

BUREAU OF INDIAN AFFAIRS

Fisheries Management and Tribal Hatchery

The Tulalip Tribes are responsible for fisheries management in about 1,600 square miles of salt waters in the Puget Sound area of Washington, and at least 1,000 miles of streams in the Stillaguamish and Snohomish River Systems. Tulalip fishermen harvest sockeye, chinook, coho, chum and pink salmon and steelhead throughout the marine areas under regulations issued by the Tulalip Fisheries Department.

The Fisheries Department is responsible for insuring the orderly and biologically sound harvest of fish by tribal fisheries. To accomplish this the Department's biological staff collects, collates and analyzes appropriate information on a continuing basis.

Along with information collection and analysis, the Tribes work closely with other governments to ensure that their goals and objectives are achieved. Last June the Tribes and State of Washington completed almost two years of work by reaching agreement on a comprehensive Puget Sound Salmon Mangement Plan which helps comanaging fisheries agencies work together to achieve their goals. Under that agreement, which has been adopted as a Federal Court Order, the Tribes must develop a comprehensive fisheries plan specific to the needs of the Tribe and the salmon stocks of this region.

The Tulalip Tribes have 300 registered fishermen including 60 marine gillnetters, five round hauls, 20 skiffs gillnets, 60 set nets, and 10 beach seiners. The remaining fishermen either fish for subsistence and cultural purposes, serve as crew on the larger craft, or fish part-time. Six enforcement personnel, including a chief, a sergeant, and four officers utilize three fair weather ocean craft to patrol the rivers, North Puget Sound, and international ocean areas. Questionable vessel stability and limited maintenance/repair capability limit staff patrol and monitoring abilities.

Environmental concerns have increased in recent years with commercial/residential developments in the watersheds of the two river systems, a dramatic increase in small hydroelectric plant applications, and the recently announced plans for a naval port in adjacent Everett, Washington. In response, the Tribe is initiating comprehensive stream survey documentation to identify and reduce existing environmental barriers. Also, environmental impact statements and development permits are reviewed and assessed for their impact on existing habitats, water quality, and in-stream water flow levels. Tribal staff work cooperatively with state agencies and potential developers to ensure the developments have minimal damaging consequences to existing natural systems.

This is not a comprehensive list of responsibilities and actions of the Tulalip Fisheries Department; however, it gives a flavor of the types of information that must be examined and action taken to ensure the health of the salmon stocks and the Tribes' fisheries.

Our recommended funding level reflects tribal needs to increase environmental monitoring, expand enforcement capabilities (including voluminous recordkeeping) and maintenance requirements; improve harvest management oversight; and, address the problem of stream quality deterioration.

Forestry Development

The Tulalip Indian Reservation covers 23,000 Acres of land; most of which is forested. The forest stream system on the Tulalip Indian Reservation is a very sensitive, delicate system, and key to the survival of the Tulalip Hatchery program. The on-going logging activities must be monitored on the reservation to insure the survival of the fish being reared. The State of Washington administers the timber harvesting permit system on all fee lands on the reservation. However, often one or two persons may be assigned an entire county to administer and insure safe forest practices are being followed. Under these conditions it is nearly impossible to gather needed evidence when non-compliance is known.

The Tulalip Tribes forestry program has developed into an on-going intensive management program. In order to continue the development of the program, adequate funding is not only needed, but also is essential if our forestry resources are to be protected and enhanced.

Johnson-O'Malley Program

There are some 300 students served under the Tribes' JOM Program. Our program employs a Project Director, a Teacher Aide at Tulalip Elementary School and liason person at Marysville-Pillchuck High School. They are valuable assets to these schools. They serve as role models for the children and are reponsible for tutoring, monitoring attendance, educational programs, home/school communication and student adjustment at their respective schools.

Our program also provides basic school supplies to bring some of our children to the minimum of their non-Indian peers, since some of our parents can not financially provide the basic needs of their children.

Our Johnson-O'Malley Program does a number of things for our Indian children which would not be done without it.

Our children and their families through JOM have the resource of school/family liason persons who can obtain school clothes, lunch money, and help in making up school work, in addition to assisting in the completion of assignments while at school.

There are a number of district-wide programs which rely on assistance of people and funds provided by the Johnson-O'Malley Program.

We are opposed to the President's proposal to transfer the Johnson-O'Malley program ($20,500,000) to the Department of Education and to transfer the Title IV, Part B ($11,500,000) to the BIA, effective in 1987. The Administration on the one hand proclaims its support for the concept of Indian self-determination, and, on the other hand, proposes to cancel the reforms brought to the Johnson-O'Malley program under P.L.93-638 which allow tribes more control over the education of their children.

INDIAN HEALTH SERVICE

Although the 1986 IHS Gramm-Rudman cuts are relatively modest, the President's request seeks House and Senate appropriations committee approval for massive rescissions of 1986 appropriations in both health services and facilities construction. The Administration then imposes massive additional cuts against a greatly reduced base for 1987.

The President's request for 1987 shows a reduction of $61,125,000 for health services. The 1986 Gramm-Rudman cuts and proposed rescissions combined with the 1987 reductions for health services total $95,816,000, or 11.7 percent of the amount provided for in the Continuing Resolution (P.L.99-190). With respect to facilities construction, no funds are requested for 1987.

Under the President's proposal, 1987 funding for health services and facilities construction will be $142,481,000 below the amounts provided in the 1986 Continuing Resolution (P.L.99-190), a reduction of 16 percent over the two-year period. If IHS were merely subject to Gramm-Rudman, the two-year reduction would be only slightly more than 3 percent -- 1 percent in 1986 and 2 percent in 1987.

To avert a potential Indian health disaster, The Tulalip Tribes urge the subcommittee to reject the Administration's proposed rescission of IHS FY1986 funds and support a level of funding for IHS in FY1987 that is comparable to the FY1986 appropriations adjusted only for the Gramm-Rudman reduction of 2 percent. IHS services are vital to the well-being of Indian people.

We appreciate the opportunity to submit our written views for the record.

STATEMENT OF DARRELL WADENA, PRESIDENT
MINNESOTA CHIPPEWA TRIBE
HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
MARCH 14, 1986

On behalf of the Minnesota Chippewa Tribe, I offer the following recommendations with respect to the FY1987 appropriations for the Indian Health Service and the Bureau of Indian Affairs.

Indian Health Service

The Minnesota Chippewa Tribe is appalled and outraged at the Administration's attempt to circumvent the minimal reductions imposed upon the IHS as an exempted program pursuant to Gramm-Rudman, P.L.99-177. The Administration's proposed cuts go beyond the reduction required by P.L.99-177. We recommend:

(1) That the subcommittee disapprove the Administration's proposed rescission of $73,800,000 in IHS FY1986 appropriated funds; and

(2) That the subcommittee support a level of funding for IHS in FY1987 close to that provided by Congress in the FY1986 appropriation adjusted only for the Gramm-Rudman reduction of 2 per cent.

Bureau of Indian Affairs

We recommend:

(1) That the subcommittee support an amendment to P.L.99-177 that would exempt BIA's budgets, beginning in FY1987, from reductions under that law, or, that, at the very least, would exempt social welfare programs, Indian education, and all trust related programs;

(2) That the subcommittee support a supplemental appropriation to meet any shortfall for general assistance payments in FY1986 rather than force BIA to reprogram funds away from social service programs that are vital to the health and welfare of our communities.

(3) That the subcommittee oppose any proposed legislation to transfer the Johnson-O'Malley program from BIA to the Department of Education in return for certain of their programs;

(4) That the subcommittee support the inclusion of statutory language in the FY1987 appropriation bill that would maintain the integrity of the BIA's new tribe/agency concept as a tribal priority-setting process and that would insulate the appropriations ($295,088,000 in FY1987) from being siphoned away by various administrative echelons of the BIA; and

(5) That the subcommittee continue to support all Federal actions that will enhance and foster the policy of Indian self-determination.

INDIAN HEALTH SERVICE

Although the 1986 IHS Gramm-Rudman cuts are relatively modest, the President's request seeks House and Senate appropriations committee approval for massive rescissions of 1986 appropriations in both health services and facilities construction.

For 1986, the President's February 1 order sequesters appropriations in the amount of $10,429,000 for health services and $467,000 for facilities construction. In addition to these decreases, the President seeks to rescind 1986 appropriations in the amount of $24,262,000 for health services and $38,642,000 for facilities construction.

Combined, the 1986 reductions are $34,691,000 for health services and $39,109,000 for construction -- a grand total of $73,800,000. This represents a combined decrease of 8.5 percent -- far beyond the 1 percent reduction required in FY1986 by Gramm-Rudman. The Administration further imposes massive additional cuts against a greatly reduced base for 1987.

The President's request for 1987 shows a reduction of $61,125,000 for health services. The 1986 Gramm-Rudman cuts and the Administration's proposed rescissions combined with the 1987 reductions for health services total $95,816,000, or 11.7 percent of the amount provided for in the Continuing Resolution (P.L.99-190). With respect to facilities construction, no funds are requested for 1987.

Under the President's proposal, 1987 funding for health services and facilities construction will be $142,481,000 below the amounts provided in the 1986 Continuing Resolution (P.L.99-190), a reduction of 16 percent over the two-year period. If IHS were merely subject to Gramm-Rudman, the two-year reduction would be only slightly more than 3 percent -- 1 percent in 1986 and 2 percent in 1987.

To avert a potential Indian health disaster, the Minnesota Chippewa Tribe urges the subcommittee to reject the Administration's proposed rescission of IHS FY1986 funds and support a level of funding for IHS in FY1987 that is comparable to the FY1986 appropriations adjusted only for the Gramm-Rudman reduction of 2 percent. IHS services are vital to the well-being of Indian people.

BUREAU OF INDIAN AFFAIRS

Indian tribes to a large extent must rely on Federal funds to support vital governmental services - tribal courts, law enforcement, road construction and maintenance, child welfare services, educational programs, and other social and economic endeavors. These funds are essential to our existence. We, along with other tribes across the nation, have advanced in our journey toward self-sufficiency. However, the accumulative effect of Gramm-Rudman, with its annual decreases in funds, can only drive us back into poverty and despair. We are particularly alarmed over the reports that the BIA general assistance program nationally may encounter a $3.8 million shortfall in 1986. Absent a supplemental appropriation to cover the shortfall, the BIA will be forced to divert funds from other badly needed social programs.

We are concerned that the Indian Child Welfare Program might become the target for deep budgetary cuts. This program is vital to the placement of children in foster home settings on our reservations and affords them an opportunity for healthy physical and psychological development.

In addition, we wish to draw the subcommittee's attention to the Indian Child Welfare Act grants and the need to maintain this program at a reasonable level. These grants have enabled us to return displaced children to their rightful parents and undertake other constructive actions.

In the area of education, the Minnesota Chippewa Tribe opposes the President's proposal to transfer the Johnson-O'Malley program ($20,500,000) to the Department of Education and to transfer of Title IV, Part B ($11,500,000) to the BIA, effective in 1987. The Administration on the one hand proclaims its support for the concept of Indian self-determination, and, on the other hand, proposes to cancel the reforms brought to the Johnson-O'Malley program under P.L.93-638 which allow tribes more control over the education of their children.

The President's FY1987 request proposes to transfer $295,088,000 from traditional programmatic activities to the new tribe/agency activity and to place certain Area Office direct services under this activity. More detailed information is promised by the BIA. If the proposal withstands close scrutiny, it could afford tribes and agencies far greater flexibility and control over program planning and use of funds. It should also give the tribes and Congress a clearer picture of the share of funds allocated to, and controlled at, the reservation level. It may also help protect tribe/agency budgets and 638 contracts from chronic diversions of funds to the central and area offices.

In addition, this latest initiative clearly affords tribes greater protection, since the funds would be treated as a line-item in the President's budget request. In our view, the funds for the tribe/agency activity need to be safeguarded in the appropriations statute itself.

We appreciate the opportunity to submit our written views for the subcommittee record.

TESTIMONY OF ANDREW HOPE
ON BEHALF OF
THE SITKA COMMUNITY ASSOCIATION
AND ORGANIZED VILLAGE OF KAKE
BEFORE THE HOUSE INTERIOR
APPROPRIATIONS SUBCOMMITTEE

March 7, 1986

I speak on behalf of the Sitka Community Association (SCA) and the Organized Village of Kake (Kake), tribal governments for Sitka and Kake, Alaska. Our tribal governments represent more than 3,000 members. We have had a very difficult time in attempting to track down specific information relating to the Reagan administration budget cut proposals for Alaska Natives. We respectfully request the assistance of the committee in our efforts to secure more specific information on the plans of BIA to reduce budget allocations to Alaska Natives in both FY-86 and FY-87. It is our understanding that the BIA Juneau Area office is proceeding immediately to implement the FY-87 budget reduction plan. It is very hard to reconcile the administration's policy of reallocation of resources to the tribe/agency level with the Juneau Area office plan to eliminate agencies and consolidate operations in a service center in Anchorage. Ross Swimmer, Assistant Secretary of the Interior for Indian Affairs, in his 2/18/86 testimony before the Senate Select Committee stated the following:

> The $295 million requested for the new budget activity of tribal/agency operations includes funding for local service programs planned and operated at the reservation or agency level and some other programs offering direct services to tribes and individuals. The consolidated funding of these operations will allow tribes more direct and immediate input in making local decisions concerning fund usage to meet current needs and will reduce federal restrictions.

SCA and Kake are opposed to the elimination of Alaska agency offices and the creation of a centralized office located in Anchorage. Where would the moving costs be funded from? Would the moving costs be funded from programs that have already absorbed cuts in FY-86 and are slated for additional heavy cuts in FY-87? It is our understanding that the average cost of transferring federal employees in Alaska amounts to approximately $26,000. Again, we have no specific documentation, but we understand that the Juneau Area office is planning to start the moving process to Anchorage immediately.

Our concerns on specific programs are as follows:

JOM/IEA

SCA and Kake are very disturbed about the proposed JOM/IEA transfer proposals. This concept has been advanced without proper consultation as required by P.L. 93-638. As with other aspects of the FY-87 budget proposals, the JOM/IEA transfer appears to be little more than a slight-off-hand effort to gut funding for Alaska Native programs. We therefore are strongly opposed to the trading proposal relating to JOM/IEA for FY-87. The funds for Indian Education Act Title IV Part A and Johnson O'Malley have been jeopardy of not being funded or being drastically cut for the past five years. Indian Education programs are administered to meet the special needs of Indian children identified by parent committees. It is difficult to plan programs and to have creditibility when we have to come to Congress year after year to fight for restoration of programs. Tribes absorbed a substantial cut in FY-86 JOM funding before any cuts were officially announced. It was assumed that there was $5 million in FY-85 dollars to be carried over. This amount was taken without any explanation. The funding for 1985 was $25,674,000 without contract support funds. This year JOM is funded at the $19,618,000 level. Programs need to have funding stabilized so programs can continue to meet the special needs of our children.

(a) to prevent dropouts, suicide, alcoholism, drug use;
(b) grade improvement, continue on to higher education;
(c) pride in our heritage, self-confidence, job skills; and

(d) headstart in school through preschool attendance.

HIGHER EDUCATION/ADULT VOCATIONAL TRAINING

The Bureau of Indian Affairs Higher Education and Adult Vocational training programs were contracted by Sitka beginning in 1979. Since that time we have increased our student count in Higher Education from nineteen to fifty. We have increased graduates from two in 1979 to thirteen in 1985. Our students receive an average of about 25% of their budget from the BIA grants. The other 75% is scholarships from other sources and parent and/or student contribution.

The Adult Vocational program since 1979 has had thirty-nine students complete their training programs and secure employment.

The dollars being invested by the Federal Government in Education for Alaska Natives have realized a significant return. We Alaska Native people can become self-sufficient through education and economic development.

These two things go hand in hand. We urge Congress to consider this as cuts in programs are being proposed.

INDIAN CHILD WELFARE

The Bureau of Indian Affairs has proposed to eliminate all funding to tribes under Title II of the Indian Child Welfare Act, beginning in FY-87. Such action would have pernicious effects on the welfare of Indian children and families, and threaten the vitality of the future of our tribe, which assumes the current form of our children's well-being.

The Sitka Community Association's Indian Child Welfare Agency has been providing essential, unduplicated services to native families in Sitka for over six years. These services are funded in large part by Title II funds. Since 1981, the SCA Tribal Court and Court of Elders have provided judicial services to native children and families in this area from Title II monies. In fact, the tribal court's entire caseload, comprising approximately 80-100 cases per year, consists of child welfare matters. Without Indian child welfare funding, the only available services will be provided by the state at the crisis stage. The rate of disintegration and breakup of tribal families will increase to the level which persisted prior to appropriation of Title II federal monies, and even those limited services will be offered in a culturally inappropriate manner.

Federal policies of tribal self-sufficiency require a continued role by the federal government in supporting the operation of Alaska native child welfare programs. The services provided by Title II funds must be paid for by some government. The trust obligations of the United States require that federal funding continue to be provided. For these reasons we oppose in the strongest terms the Bureau's proposed elimination of Indian Child Welfare Act Title II programs in Alaska.

SMALL TRIBES CORE MANAGEMENT GRANTS

The administration has proposed "phaseout" of Alaska funding in FY-87. The original intent of this program was to provide grants to tribes with enrollments of 1,500 or less to improve core management capabilities. Since 1983, the BIA has allocated these tribal monies to state chartered village for-profit corporations. We urge restoration of funding for Alaska, with the requirement that monies be allocated in accordance with the original intent of the program, i.e., funding should go to small tribes in Alaska.

ROAD CONSTRUCTION

It is our understanding that virtually all of the BIA road construction activity for the last few years was funded by Gas tax monies. Alaska tribes have received a little over 1% per year of the allocations for the last 3 years. We urge the committee to restore roads funding for Alaska on a more equitable basis. Roads construction program provides direct, albeit short term employment opportunities to Alaska villages.

HIP/IHS SANITATION FACILITIES

The administration has recommended decreased funding for BIA HIP and zero funding for IHS Sanitation facilities. We urge the committee to restore HIP funding and IHS Sanitation Facilities funding for water/sewer construction.

THE DILEMMA OF TRIBAL CONSULTATION

We respectfully request the committee to seriously consider requiring IHS and BIA to organize Area Tribal Consultation committees. These committees would:

1. Insure formal tribal input in the development of budget and administrative intiatives.

2. Work to eliminate duplication of programs.

3. Improve tribal program planning and administration by conducting periodic interagency/intergovernmental meetings.

Representatives to the IHS and BIA Area Tribal Consultation Committees could be comprised of representatives from the agency service areas for the BIA area offices and the service unit areas for the IHS area offices.

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